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1941

Volume IV

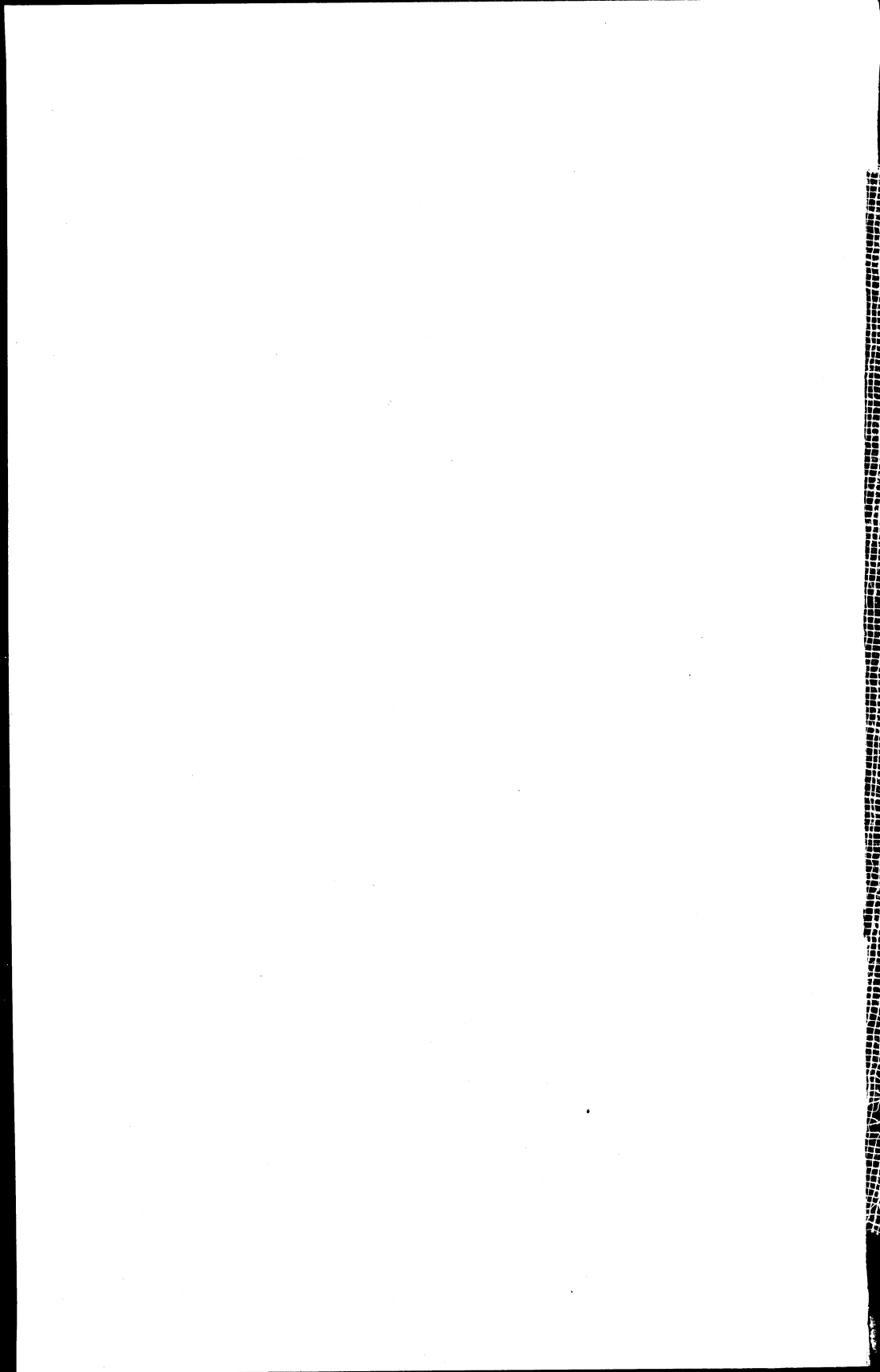
THE FAR EAST

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Foreign Relations
of the
United States
Diplomatic Papers

1941

(In Seven Volumes)

Volume IV
The Far East



United States
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DEPARTMENT OF STATE PUBLICATION 6325

PREFACE

Volumes IV and V of the *Foreign Relations* series for 1941 are being published prior to the other volumes for the year in order to supply chronological background on the Far East for the special series on China, 1942-1949, which is now in preparation.

A considerable amount of the diplomatic correspondence for 1941 on the Far East is contained in *Foreign Relations of the United States, Japan, 1931-1941*, Volumes I and II, published in 1943. Papers there printed for the most part are not reproduced in the present volumes.

The *Foreign Relations* annual volumes are compiled in the Historical Division, G. Bernard Noble, Chief, under the direction of the Chief of the Foreign Relations Branch (Editor of *Foreign Relations*), E. R. Perkins, and of the Assistant Chief of the Branch, Gustave A. Nuernberger. The compilers of Volumes IV and V were John G. Reid (Chief of the Far East Section), Louis E. Gates, and Ralph R. Goodwin.

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E. R. PERKINS

Editor of Foreign Relations

APRIL 2, 1956.

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EFFORTS TO REACH A PEACEFUL SETTLEMENT BETWEEN THE UNITED STATES AND JAPAN PRECEDING ATTACK BY JAPAN ON AMERICAN TERRITORY, DECEMBER 7¹

CHAPTER I: JANUARY 1-APRIL 9, 1941

Informal Japanese efforts to sound out United States views respecting agreement; warning of Japanese military plan to attack Pearl Harbor in case of "trouble" (January 27); review by Secretary Hull of United States attitude toward Japan (February 15); Japan's attitude toward United States and Soviet Union (March 5); Secretary Hull's discussion with Ambassador Nomura (March 11); preliminary draft of Japanese-sponsored "agreement in principle" (March 16-17); Japanese-sponsored "proposal" on U. S.-Japan relations (April 9)

894.00/998

*Memorandum by the Chief of the Division of Far Eastern Affairs (Hamilton)*²

[WASHINGTON,] January 10, 1941.

I am informed that there is to take place today in Washington a luncheon meeting at which a Mr. M. Kleiman³ and the Japanese Financial Attaché⁴ in New York City, and another Japanese are to lay before several Americans, including one who is a relative or a close friend of the President,⁵ a proposal for peace between China and Japan and apparently for bringing about better relations between the United States and Japan. The general idea of Mr. Kleiman and his Japanese associates⁶ appears to be to endeavor to cause the Americans to take their proposition directly to the President in the hope that the President would instruct the State Department to put the

¹ See also *Foreign Relations, Japan, 1931-1941*, vol II, pp. 131-149, 325-795; *Investigation of the Pearl Harbor Attack: Report of the Joint Committee on the Investigation of the Pearl Harbor Attack*, 79th Cong., 2d sess., pursuant to S. Con. Res. 27, a concurrent resolution to investigate the attack on Pearl Harbor on December 7, 1941, and events and circumstances relating thereto, and additional views of Mr. Keefe, together with Minority views of Mr. Ferguson and Mr. Brewster (1946); *Pearl Harbor Attack: Hearings before the Joint Committee on the Investigation of the Pearl Harbor Attack*, 79th Cong., 1st sess., in 183 exhibits printed in 39 parts (1946), and especially part 12 containing intercepted Japanese code messages ("magic"); and Department of the Army, *Strategic Planning for Coalition Warfare, 1941-1942* (Washington, 1953), pp. 1-126.

² Initialed by the Adviser on Political Relations (Hornbeck).

³ New York businessman who visited Japan in 1940.

⁴ Tsutomu Nishiyama.

⁵ They included Gracie Hall Roosevelt, considering a trip to Japan, accompanied by Robert Barr Deans; J. M. Davies, and Gen. R. C. Marshall (retired).

⁶ Count Yoriyasu Arima, chairman of the "preparatory commission for establishment of a new structure" (the "Imperial Rule Assistance Association"), was mentioned as sponsor of the proposal.

proposal into effect. The proposal envisages the sending by this Government of some sort of an unofficial emissary to Japan.

A little over a month ago Mr. Kleiman called on officers of the Department and also sent the Department a letter and a memorandum⁷ in exposition of his ideas. We have not felt that it would be appropriate for this Government to act favorably upon Mr. Kleiman's proposal or that his proposal, if adopted, would be likely to produce constructive results.

M[AXWELL] M. H[AMILTON]

701.9462/59

The Chargé in Germany (Morris) to the Secretary of State

No. 4198

BERLIN, January 10, 1941.

[Received January 27.]

SIR: I have the honor to refer to my telegram No. 97 of January 10, 5. p. m.,⁸ relative to a prospective visit in transit to Japan of Saburo Kurusu, retiring Japanese Ambassador in Berlin and to draw the Department's attention to the statements made by the Ambassador in the course of a conversation recounted in the enclosed memorandum.⁸ In that conversation Kurusu very clearly indicated, without definitely so saying, that one of his main motives in returning via the United States would be to endeavor through conversations with officials of the Department to explore the possibility of solving or at least arresting the decline in relations between the two countries. He asserted, however, that his visit, although it required the approval of his government, which he had not yet obtained, would be of a private and unofficial nature.

The Embassy has no knowledge of what the record of Kurusu's attitude was toward Japan's relations with Asia and the United States during his service at other posts and as the Director of Commercial Relations in the Japanese Foreign Office. Until shortly before the signing of the Three Power Pact⁹ he was extremely cordial in his relations with members of this Embassy and members of the American colony, as well as with members of the South American diplomatic missions, whose acquaintance he had made during his stay in Peru. He has rather convincingly given his American acquaintances the impression that he personally is opposed to the extremes of Japanese policy in recent years and particularly its lineup with the Axis powers. On several occasions he remarked on the necessity of Japan enjoying

⁷ Neither printed.

⁸ Not printed.

⁹ Signed at Berlin, September 27, 1940, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 165.

friendly relations with the United States while at the same time he has, usually in a humorous way, railed at American incomprehension of Japan's allegedly difficult situation. As the Department is aware, his wife is of American birth and parentage.

Respectfully yours,

LELAND MORRIS

711.61/802

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] January 15, 1941.

The Soviet Ambassador¹⁰ called to see me by arrangement this afternoon.

I said to the Ambassador that I would be glad to know what his opinion would be with regard to recent developments in the Far East. I said that I had been glad to learn from various sources that, subsequent to the official declaration of the Soviet Union some weeks ago¹¹ reasserting its policy under the agreement with China of 1937¹² covering the contingency that either of the two contracting parties would be the victim of aggression, the Soviet Union had sent valuable war matériel to the government of Chungking. The Ambassador said that he was glad to tell me that this was in fact the case and that he believed under new credit arrangements entered into, considerable additional quantities of ammunition, airplanes and armaments would be sent to the Chungking government from the Soviet Union. I asked the Ambassador whether he thought any progress had been made in the negotiations between Japan and the Soviet Union. He replied that so far as he was informed, no progress had been made. He then referred with some vehemence to the efforts of individuals and groups in the United States who were playing Japan's game, as he phrased it, to stir up trouble between the Soviet Union and the United States. I replied that as he and I had said in a conversation some weeks ago, the maintenance of peace and the maintenance of the *status quo* in the Pacific area was a question in which the Soviet Union and the United States had similar interests. I added that it seemed to me that the fixing by Japan of political, economic and military domination over China and the spreading of Japanese hegemony through the southern Pacific was obviously something inimical to the interests of both of our countries. The Ambassa-

¹⁰ Konstantin Alexandrovich Umansky.

¹¹ See memorandum of December 17, 1940, by the Assistant Chief of the Division of European Affairs (Henderson), *Foreign Relations*, 1940, vol. III, in section under Union of Soviet Socialist Republics entitled "Reports on Developments of Significance . . .".

¹² Nonaggression treaty signed at Nanking, August 21, 1937, League of Nations Treaty Series, vol. CLXXXI, p. 101.

dor said that he was wholly in accord and that while he did not believe that Japan would ultimately succeed in that objective, nevertheless he thought it more than likely that Japan would make the attempt.

S[UMNER] W[ELLES]

711.94/2196

*Memorandum of Conversation, by the Assistant Chief of the Division of Far Eastern Affairs (Ballantine)*¹³

[WASHINGTON,] January 18, 1941.

Participants: Mr. T. Hashimoto, Editor of the *Shiunso*.
 Mr. T. Toda, associate and interpreter of Mr. Hashimoto.
 Mr. Hornbeck.
 Mr. Hamilton.
 Mr. Ballantine.

Mr. Hashimoto stated that he had felt for a long time that Japan had been pursuing a wrong course; that his purpose in visiting this country was to gain an insight into the attitude of the American Government and people and to arm himself with knowledge which might be useful to his country in shaping a better course of policy.

In reply to a question as to how far he had already gone in his study of American attitude, Mr. Hashimoto said that he had studied various clippings which Ambassador Grew had given him and had had the clippings translated and published for distribution in Japan; he felt that the American attitude was reasonable and proper. He added that he had had no opportunity as yet to meet Americans in private life, as owing to the sensational articles which had appeared in the American press in connection with his visit he had felt diffident about seeing people.

In reply to a further question Mr. Hashimoto said he realized that in bringing about any change in Japanese policies it was incumbent upon Japan to take the initiative; he felt, however, that it would be very helpful if the Japanese could be given some assurance that in the event that Japan changed its course it could count upon the United States extending cooperation to Japan.

It was pointed out to Mr. Hashimoto by way of reply that the United States had traditionally pursued a policy of cooperation with other nations which practiced peaceful and constructive policies and that the United States had at one time or another made loans to a

¹³ Initialed by the Chief of the Division (Hamilton); noted by the Secretary of State and the Under Secretary of State.

great many countries; and that prior to 1931 the United States had adopted such a policy toward Japan.

Mr. Hashimoto said he realized that this was true, but that in the present situation it was desirable to have some concrete assurance as a means of combating the pro-German group in Japan, which was strongly entrenched. He stated that Japan had been intimidated into the Axis alliance by the threat that if Japan did not go in Germany would, after disposing of England, supply munitions to China and Russia, an argument which had a strong effect upon the Japanese army; he said also that there was a secret clause in the alliance treaty providing for Germany's recognition of Japan's pretensions in regard to a so-called co-prosperity sphere in southwest Asia, a point which had a wide appeal among the Japanese people, although they had little idea what all this implied.

When asked whether, in reference to a statement by him that he thought it would be possible to bring about a change in Japanese policy, he had any evidence to indicate that sufficient support could be found in Japan for such a change in policy, Mr. Hashimoto asserted that he did in fact have various such evidences: one evidence was the fact that he had been allowed to come at all on his mission to the United States; another was an indication of a change in the attitude of General Tojo, the Minister of War, who had previously been definitely of the pro-German group but who now appeared to be receptive to an idea such as that entertained by Mr. Hashimoto; a third indication was that General Yanagawa was now in the Cabinet, which would not have been possible a while ago, despite the general's recognized ability, because he had been known to be opposed to the Axis alignment; a fourth indication was the more active part the navy was now taking in political policies and the navy, because of its being more closely concerned than the army with American and British relations, had been from the first cool toward the German alignment. There was also the fact of a loss of confidence in Matsuoka, Minister for Foreign Affairs, by the Imperial court as a result of advice tendered which had not turned out well. Mr. Hashimoto then went on to say that, of course, the Japanese public had been sold on such slogans as the "New Order in Greater East Asia" and the "co-prosperity sphere in Greater East Asia" and on the ideology of the Axis alliance, and he did not believe it would be possible for Japan to go back on the language of those slogans without impairing the nation's political stability. What he had in mind was not to attack those slogans but to render them a dead letter through failure to carry out their purpose in practice. Mr. Hashimoto also indicated that an essential requisite to a change in Japanese policy was the getting rid of Mr. Matsuoka as Minister for Foreign Affairs.

Mr. Hornbeck then referred briefly to Japan's conclusion in 1936 of the anti-Comintern Pact¹⁴ and the Axis alliance in 1940 and said that on account of contradictory statements of Japanese spokesmen there was confusion in our minds as to whether Japan was so tied up with Germany that Japan's policies had become fused with those of the Axis Powers or whether Japan still retained freedom of action, and therefore we could only judge from Japan's acts what the real situation is. If it appears that Japan no longer retains freedom of action we would be obliged to oppose Japan in view of our opposition to Germany. On the other hand, if it appeared that Japan still retained freedom of action and was acting entirely on her own initiative, we could determine our policy in the light of Japan's actions. Mr. Hornbeck also made the point that the United States had been standing consistently in its original position; that it was Japan which had moved from its position of support to the principles on which we stood; and that it therefore seemed that any move to rectify the situation must now come from Japan.

Mr. Hashimoto said that he understood what Mr. Hornbeck meant and that he would like to continue this conversation at an early date (to be arranged at our convenience) at which time he would bring up various suggestions that had occurred to him and would be glad to learn of any suggestions that we might have. The interview there terminated.

711.94/19004

*President Roosevelt to the Ambassador in Japan (Grew)*¹⁵

WASHINGTON, January 21, 1941.

DEAR JOE: I have given careful consideration to your letter of December 14.¹⁶

First, I want to say how helpful it is to have your over-all estimates and reflections—based as they are upon a rare combination of first-hand observation, long experience with our Japanese relations, and masterly judgment. I find myself in decided agreement with your conclusions.

I also want you to know how much I appreciate your kind words of congratulation on my re-election and your expression of confidence in my conduct of our foreign affairs.

¹⁴ Signed at Berlin, November 25, 1936, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 153.

¹⁵ Drafted by Alger Hiss, Assistant to the Adviser on Political Relations (Hornbeck) on January 16 and, under instruction of the Secretary of State, sent to President Roosevelt for signature, January 19.

¹⁶ *Foreign Relations, 1940*, vol. IV, p. 469.

As to your very natural request for an indication of my views as to certain aspects of our future attitude toward developments in the Far East, I believe that the fundamental proposition is that we must recognize that the hostilities in Europe, in Africa, and in Asia are all parts of a single world conflict. We must, consequently, recognize that our interests are menaced both in Europe and in the Far East. We are engaged in the task of defending our way of life and our vital national interests wherever they are seriously endangered. Our strategy of self-defense must be a global strategy which takes account of every front and takes advantage of every opportunity to contribute to our total security.

You suggest as one of the chief factors in the problem of our attitude toward Japan the question whether our getting into war with Japan would so handicap our help to Britain in Europe as to make the difference to Britain between victory and defeat. In this connection it seems to me that we must consider whether, if Japan should gain possession of the region of the Netherlands East Indies and the Malay Peninsula, the chances of England's winning in her struggle with Germany would not be decreased thereby. The British Isles, the British in those Isles, have been able to exist and to defend themselves not only because they have prepared strong local defenses but also because as the heart and the nerve center of the British Empire they have been able to draw upon vast resources for their sustenance and to bring into operation against their enemies economic, military and naval pressures on a world-wide scale. They live by importing goods from all parts of the world and by utilizing large overseas financial resources. They are defended not only by measures of defense carried out locally but also by distant and widespread economic, military, and naval activities which both contribute to the maintenance of their supplies, deny certain sources of supply to their enemies, and prevent those enemies from concentrating the full force of their armed power against the heart and the nerve center of the Empire. The British need assistance along the lines of our generally established policies at many points, assistance which in the case of the Far East is certainly well within the realm of "possibility" so far as the capacity of the United States is concerned. Their defense strategy must in the nature of things be global. Our strategy of giving them assistance toward ensuring our own security must envisage both sending of supplies to England and helping to prevent a closing of channels of communication to and from various parts of the world, so that other important sources of supply will not be denied to the British and be added to the assets of the other side.

You also suggest as chief factors in the problem the questions whether and when Britain is likely to win the European war. As I have indicated above, the conflict is world-wide, not merely a European

war. I firmly believe, as I have recently declared publicly, that the British, with our help, will be victorious in this conflict. The conflict may well be long and we must bear in mind that when England is victorious she may not have left the strength that would be needed to bring about a rearrangement of such territorial changes in the western and southern Pacific as might occur during the course of the conflict if Japan is not kept within bounds. I judge from the remarks which appear at the bottom of page 4 and at the top of page 5 of your letter that you, too, attach due importance to this aspect of the problem.

I am giving you my thoughts at this length because the problems which we face are so vast and so interrelated that any attempt even to state them compels one to think in terms of five continents and seven seas. In conclusion, I must emphasize that, our problem being one of defense, we can not lay down hard and fast plans. As each new development occurs we must, in the light of the circumstances then existing, decide when and where and how we can most effectively marshal and make use of our resources.

With warmest regards,

[FRANKLIN D. ROOSEVELT]

894.032/204 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, January 21, 1941—8 p. m.

[Received January 21—2: 55 p. m.]

97. The first regular session of the Diet today was featured by addresses by the Prime Minister,¹⁷ Foreign Minister and Army and Navy Ministers. The press reports that following the formal speeches, sessions *in camera* were convened at which Cabinet members were to explain frankly to Diet members the domestic and international situation facing Japan.

[Here follow summaries of speeches by the Prime Minister and the Minister for Foreign Affairs.]

In discussing relations with the United States the [Foreign] Minister enumerated the embargoes and restrictions on exports to Japan¹⁸ since the abrogation of the commercial treaty.¹⁹ He stated that the situation had become so aggravated that Japan must now be adequately prepared not only to meet this pressure but to secure her eco-

¹⁷ Prince Fumimaro Konoye.

¹⁸ See *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 211 ff.

¹⁹ Signed at Washington, February 21, 1911, *Foreign Relations, 1911*, p. 315; for abrogation, see *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 189-198; see also *Foreign Relations, 1940*, vol. IV, pp. 625 ff.

conomic life line within the area of greater Asia. In effect, he stated Japan's demands of the United States to be:

- (1) understanding of the vital concern to Japan of the establishment of an East Asia co-prosperity sphere,
- (2) recognition of Japan's superiority in the Western Pacific, and
- (3) cessation of economic pressure on Japan.

Mr. Matsuoka then appealed for reflection on the part of the United States for the sake of peace in the Pacific and in the world: the Foreign Minister envisaged American entry into the war and the possibility of Japan being "compelled to enter the war" which would then bring about another world conflict.²⁰

For several days the press has suggested that the Foreign Minister would answer Secretary Hull's statement²¹ and a strong attack aimed at American policy was expected. The fact that the Foreign Minister's remarks were surprisingly mild and the fact that no Government statement has been issued in reply to Secretary Hull although such a statement has been twice announced (Embassy's No. 87, January 17, 10 p. m.²²) may indicate that careful consideration is being given within the Government to the avoidance of official utterances calculated to exacerbate American feelings towards Japan. This morning's press announced that the Imperial Rule Assistance Association would tonight issue a "protest to America". The Cabinet Information Bureau later informed us that such a statement would not be issued.

GREW

711.94/1925 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, January 22, 1941—8 p. m.
[Received January 22—12:30 p. m.]

102. At a large gathering of the America-Japan Society this afternoon in honor of its new president, three members of the Diet separately told me that at the meeting of the Diet held *in camera* today it was definitely announced that the policy of the Government is to conciliate the United States and that the "southward advance"²³ will not under present circumstances be pursued by armed force. I am making an effort to obtain in confidence a transcript of the steno-

²⁰ The text of Mr. Matsuoka's speech was received in the Department from the Japanese Embassy on January 22.

²¹ January 15 before the House Committee on Foreign Affairs, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 131.

²² Not printed.

²³ For correspondence on this subject, see vol. V, pp. 1 ff.

graphic notes of the proceedings but this may prove difficult. The very marked anxiety over Japanese-American relations indicated by the remarks and questions of my Japanese contacts in recent weeks had given place today to an unmistakable air of optimism. Mrs. Grew, who was visiting Mrs. Matsuoka this afternoon, reports that the Foreign Minister returned from the Diet while she was there and exhibited an unusual spirit of buoyancy "as if a great load had been taken off his mind."

While these symptoms are interesting, they are, of course, inconclusive. I believe, however, that they may properly be associated with the influences which appear to have prevented a public reply to Mr. Hull's statement before the House Committee on Foreign Affairs. One member of the Diet said to me that the proceedings in the Diet today reflected the desires of the Emperor. The general anxiety over the worsening of relations with the United States, as indicated in my recent contacts with prominent Japanese, has been more intense than at any time of my observations during the past eight years in Japan.²⁴

GREW

711.94/2197

Memorandum of Conversation, by the Assistant Chief of the Division of Far Eastern Affairs (Ballantine)

[WASHINGTON,] January 22, 1941.

Participants: Mr. Hashimoto, Editor of *Shinsho*
 Mr. Toda, associate of Mr. Hashimoto
 Mr. Hamilton
 Mr. Ballantine

Mr. Toda presented in English an outline of a proposal by Mr. Hashimoto for adjusting relations between the United States and Japan. Mr. Hamilton then suggested that Mr. Hashimoto go over with Mr. Ballantine in Japanese the proposal in fuller detail in order that as clear an idea as possible may be had of precisely what Mr. Hashimoto had in mind. This was agreed to and it was arranged that Mr. Ballantine would subsequently report to Mr. Hamilton what Mr. Hashimoto had said.

Mr. Hashimoto then made a statement to Mr. Ballantine substantially as follows:

In discussing the question of Japanese-American relations with Ambassador Grew, Mr. Hashimoto had been informed by Mr. Grew

²⁴ See also telegram No. 126, January 27, 7 p. m., *Foreign Relations, Japan, 1931-1941*, vol. II, p. 133.

that there were certain factors in the situation which presented serious difficulties in the way of adjusting relations between the two countries. Mr. Hashimoto enumerated three factors, as follows: (1) Japan is attempting completely and permanently to eradicate American rights and interests in China notwithstanding assertions by the Japanese Government to the contrary; (2) under the slogan of "Greater East Asia" Japan is planning, judged from past experience of what Japan had already done in Manchuria and North China, to set up throughout the Far East an exclusionist and monopolistic bloc; (3) Germany has asserted its intention to encompass the destruction of Great Britain, following the accomplishment of which purpose Germany will attempt to subjugate South America. Consequently it must be considered that Germany's ultimate object is the subjugation of the United States. Japan has now concluded an alliance with Germany in the pursuit of common objectives.

Mr. Hashimoto had replied to Mr. Grew in the sense that he recognized that Japan could not expect to assure its future prosperity so long as Japan did not change its attitude. With this background Mr. Hashimoto desired to lay certain proposals before us.

Mr. Hashimoto believed that there were three measures which might be taken whereby Japan could hope to assure its future position. These measures were: (1) a Pacific pact; (2) the United States to propose simultaneously peace in Europe and in Asia; and (3) an offer by the United States of good offices in the Sino-Japanese conflict, or the issuance by the United States of advice to the Chinese Government to propose an armistice to Japan.

With regard to his proposal of a Pacific pact, Mr. Hashimoto felt that unless this proposal was coupled with certain conditions to be arranged between the United States and Japan, which he would outline further on, the acceptance by Japan of such a Pacific pact would be interpreted in many quarters in Japan as submission by Japan to the United States and would invite attack by the pro-German group, as Shiratori²⁵ and others of that group have been asserting that the German alliance is especially valuable to Japan to assist in Japan's southward expansion and are in this way fomenting a clash between Japan and the United States. Mr. Hashimoto felt that if agreement were reached with the United States whereby they would pledge themselves to maintain the *status quo* in the Pacific by means of a Pacific pact, it would serve to check a southward expansion by Japan by armed force and would tend to nullify the positive character of the three-power alliance. Mr. Hashimoto believed that practically all members of the Cabinet were in favor of such a Pacific pact.

²⁵ Toshio Shiratori, formerly Japanese Ambassador in Italy and special adviser to the Japanese Foreign Office since August 1940.

With regard to the second measure, namely, an American proposal for peace in Europe as well as in Asia, Mr. Hashimoto felt that the United States, instead of being merely a friend of Great Britain, should take a stand as a friend of all humanity. The President should be an upholder of human justice universally rather than merely a defender of democracy. Mr. Hashimoto said he was not sure what the attitude of the Japanese Government would be to such a proposal, but he thought that it would be responsive. He felt, however, that if Great Britain and Germany failed to respond and the Japanese Government did respond, it would give the Japanese Government a basis for repudiating the alliance. If peace were restored in the Far East as a result of the acceptance by Japan of such a peace proposal the prospect of a Japanese southward expansion by force would be automatically averted.

With regard to the third measure, namely, American good offices in the Sino-Japanese conflict or advice to Chiang Kai-shek²⁶ to seek an armistice, Mr. Hashimoto believed that although Baron Hiranuma²⁷ would be opposed to American good offices, there were other Japanese Cabinet members who would not be so opposed. He thought that if the United States Government, after having assured itself of Japan's intention to change its policies, took action in the form of voluntary advice to the Chungking Government, this might constitute one suitable way of dealing with this point. He added, however, that he did not insist on any one method, since the United States might have some other method to offer.

Mr. Hashimoto then proceeded to outline seven conditions to which he had already referred as matters to be agreed on between the United States and Japan and which he felt would serve to counteract the influence of the pro-German group. He also indicated that the acceptance by the United States of these conditions would enable Japan to overcome the difficulties standing in the way of effecting a change of course in Japan's policy, as described by him on a previous occasion, and would enable Japan to repudiate its past exclusionist and monopolistic policies in China without loss of face and prestige. These points were as follows:

(1) Recognition by the United States of Japanese leadership in East Asia, which would include a stipulation of non-recognition of any change in the *status quo* without Japanese concurrence—that is to say a "Monroe Doctrine" for East Asia in the exact sense of the original Monroe Doctrine. Such recognition by the United States would serve to thwart the ambitions of the pro-German group and at the same time it would give an impetus in Japan to the discussion of the

²⁶ President of the Chinese Executive Yuan (Premier).

²⁷ Japanese Home Minister and formerly Prime Minister.

subject of our Monroe Doctrine, which would serve to clear away existing misconceptions in Japan as to the true nature of that Doctrine.

(2) Support by the United States for the establishment of Japan's right to equality of commercial opportunity in respect to access to raw materials and markets.

(3) The future good offices of the United States in assisting Japan to obtain a fair share in exploiting the natural resources of countries which have undeveloped and abundant natural resources.

(4) A public statement by the United States condemning Chinese boycotts as illegal.

(5) A public statement by the United States undertaking to cooperate with Japan in the retrocession of special rights in China.

(6) The negotiation of a new commercial treaty with Japan and a public statement by the United States that pending the conclusion of the treaty normal and peaceful trade with Japan would be maintained. (Mr. Hashimoto said that this would not include trade in articles on which restrictions have been or may be placed under our National Defense Act.)²⁸

(7) Undertaking by the United States to make loans and credits to Japan.

Mr. Hashimoto said that he believed the seven points were entirely consistent with Mr. Hull's fundamental principles of policy,²⁹ in which he fully concurred. He hoped that, as time is the essence in the quickly moving situation in the Far East, we would give his proposals early consideration and agree to them.

On January 24 Mr. Toda showed Mr. Ballantine a written memorandum the purport of which he asked, on behalf of Mr. Hashimoto, to have incorporated in our report of his approach. A translation follows:

"Furthermore with regard to the conditions of a peace settlement with the Chungking Government on the basis of an arrangement with the United States, I believe that those conditions should be based on the nine articles of the treaty which was concluded on November 30 last by Japan with the Wang Ching-wei government.³⁰ What is the American view on the matter?"

"A minister in the Konoye Cabinet who is most pro-American and anti-German has said to me that the reason why Foreign Minister Matsuoka's direct negotiations with the Chungking Government have failed is not that the Chungking Government is dissatisfied with the conditions offered by Japan, but because the Chungking Government is dissatisfied with (distrusts?) the Japanese leaders of today. I believe that this interpretation is in general correct, but I would like to know the views of the American Government."

²⁸ Approved July 2, 1940; 54 Stat. 712; see also *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 211 ff.

²⁹ See statement of July 16, 1937, *ibid.*, vol. I, p. 325.

³⁰ Signed at Nanking, *ibid.*, vol. II, p. 117.

894.00/1033

*Memorandum Handed to President Roosevelt by Bishop James E. Walsh*³¹

The Japanese Government cannot admit, through official channels, that American economic pressure and defense preparations under President Roosevelt have been so politically successful that the Japanese now would welcome an opportunity to change their international, and modify their China, positions.

The domestic position of the present Japanese Government is like that of the Bruening Government in Germany in 1931. The Japanese would rather lose the war in China than lose the domestic war to their own Extremists. But, the loss of the China War and the imminence of an American War, would put the radical nationalists, civil and military, in complete control. If the Conservative authorities, including Prince Konoye, Mr. Matsuoka, Count Arima, General Muto,³² etc. and the Emperor, can win, by diplomacy, a safe economic and international position, public opinion in Japan would restore the Conservatives to complete control.

For such a reversal, the Japanese majority needs, no less than China, the help of the United States. Failing this, they foresee the possibility of a union of their own Extremist elements with the Radical forces in China; a union comparable to, and an appendage of, the compact of Russia and Germany in Europe. They feel that if some constructive cooperation is not realized with the United States before March or April, the Fascist element will take control in both China and Japan, no matter whether England or Germany wins in the Spring offensive.

Such an eventuality would surely close the door for the Allied cause in the Far East. . . ., in his own words, "is riding the horses until he can stop them." . . ., in his own words, said that "to call the present war in China a Holy War is a blasphemy," and "to call the Treaty with Wang-Ching-Wei an equal Treaty is a lie." . . . said he would probably be killed if we revealed his statements to certain Japanese.³³

We found the Japanese officials virtually despairing of any possibility of reestablishing cordial relations with the United States. President Roosevelt's policy, and the Italian losses in the Mediterranean have created a remarkable opportunity for solidifying the Far Eastern situation in our own favor, and the Japanese are ap-

³¹ Copy of original document which President Roosevelt transmitted to the Secretary of State with his memorandum of January 26: "Here is the memorandum that was handed to us the other day by the Reverend Bishop. What do you think we should do? FDR." Original returned to the President on February 5. Bishop Walsh was Superior General of the Catholic Foreign Mission Society of America, known as "Maryknoll Fathers", which he founded in 1911.

³² Director of the Military Affairs Bureau of the Japanese Ministry of War.

³³ Omissions indicated in the original.

parently now following a plan of procedure for cooperation with the United States. Mr. Matsuoka designed his speech of December 19th⁸⁴ as an indication of this intention.

The Japanese feel that their alliance with the Axis will have to be nullified realistically before it can be broken legally and officially. The Japanese authorities are ready (though they dare not admit their readiness at the peril of their lives) to substitute the United States for Germany, by an agreement which would embrace the following aspects:

I. *Legal (for Japanese public opinion)*

A. The Japanese Government could maintain that as they accepted the Axis Alliance to maintain world peace by restricting the European War vis-à-vis the United States (but much more Russia) they could apply the same principle to Germany and threaten Germany with Japanese involvement if she extends the War beyond its present confines. (Germany then would be doubly hesitant to declare war on the United States.)

II. *Politie*

A. Acceptance of the cooperation of the United States in a settlement of the China War on the basis of the secret Truce Terms offered last October by Chiang Kai Chek [*sic*]. With some guarantee of politic-economic order in China, and the removal of China as an immediate military menace, or a political menace through a European "sell-out", China and Japan could then unite to fight Communism in China and in the Far East. This would take Germany, now acting through Russia, out of China.

B. A recognition of a Far Eastern Monroe Doctrine based on the aforementioned China settlement, the Japanese-American guarantee to check any third power attempting to alter the political status of the Philippine Islands, Hong Kong, Singapore or Malaya, and the establishment of autonomous Governments in Indo-China and the Dutch East Indies, in order to remove these areas as potential war spoils, and in order to forestall the demand of Japanese Extremists for forcible action. (These autonomous Governments would agree to respect all existing investments, etc.) Actually, in the Dutch East Indies, Queen Wilhelmina could be accepted as a Sovereign.

C. Just prior to our abrogation of the Commercial Treaty, the Japanese and British had virtually agreed upon a Treaty reopening trade in the Yangtze Valley. The British, therefore, would have no objection.

D. No territorial aggrandizement in China proper.

III. *Economic*

A. Japan (and with her, the Far East) is drifting into a commodity economy which will produce a low standard of living which she does not like, but cannot avoid without American assistance. American assistance (cfr. additional memoranda) could be so given as to guarantee the political agreement and set up an economy in the Far East

⁸⁴ *Foreign Relations, Japan, 1931-1941, vol. II, p. 123.*

so totally variant from the German that the Germans could not do business with it. By earmarking, but leaving in the United States, a heavy gold credit, with interest payments, for substantiating the currencies of Japan and China, the United States would put the Far East on a money economy like our own, and hold over both China and Japan the threat of withdrawal for any failure to comply with the political provisions of the joint agreements.

B. Japan would grant a complete Open Door provided she received similar treatment from other Far Eastern countries. She would write a Reciprocal Trade Treaty with the United States allowing free entry of certain basic commodities, heavy machinery, etc. Cotton and agricultural surpluses would be similarly accepted and could actually be bought by both China and Japan under the monetary arrangement above mentioned.

Because of the domestic situations, any such arrangement would have to be presented to the Japanese and Chinese people as a *fait accompli*. Meantime, merely to indicate that such a settlement is possible is to put power in the hands of the Conservative element in Japan and give them confidence to proceed.

A representative of President Roosevelt could be introduced, with the full knowledge of Mr. Grew, to work out, with the utmost speed and secrecy, in cooperation with the controlling elements in Japan, including the Emperor, such an agreement as would bring some order in the Far East, and put within the power of President Roosevelt the opportunity to immunize the Pacific for at least three years.

The Japanese people who now despair of American friendship would welcome this as the greatest boon to their national life and security, for which the Japanese would sacrifice anything except their Far Eastern position. The representative of the President should be someone whom he knows and trusts intimately; someone who will be apprised fully of American aims in the Far East; someone who is keenly aware that the Germans will attempt ruthlessly to prevent any American-Japanese agreement; and someone who will not attract attention as an official member of our State Department.

If President Roosevelt acts to investigate this possibility, we would be willing to cooperate with his representative for the safeguarding of the Japanese officials, and the verification of their statements.

894.00/995 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, January 27, 1941—4 p. m.

[Received January 27—7:20 a. m.]

123. Mr. Fujii, personal adviser to Baron Hiranuma, in a conversation with a member of my staff today emphasized the "complete change

in Japan's internal political affairs and trends" since we last talked several months ago and he gave the impression that he believed the Japanese people to be determined at all costs to proceed with the nation's present program for leadership in East Asia which is "vital" to Japan. During the conversation, however, he stated definitely that neither he nor Baron Hiranuma had "abandoned hope" for improved relations with the United States, and he had asked that Dooman³⁵ be informed upon his arrival that Mr. Fujii desired to meet him "as soon as possible."

GREW

711.94/1935 : Telegram

*The Ambassador in Japan (Grew) to the Secretary of State*³⁶

TOKYO, January 27, 1941—6 p. m.
[Received January 27—6:38 a. m.]

125. My Peruvian colleague told a member of my staff that he had heard from many sources including a Japanese source that the Japanese military forces planned, in the event of trouble with the United States, to attempt a surprise mass attack on Pearl Harbor using all of their military facilities. He added that although the project seemed fantastic the fact that he had heard it from many sources prompted him to pass on the information.

GREW

711.94/1973½

*Bishop James E. Walsh to the Postmaster General (Walker)*³⁷

NEW YORK, January 27, 1941.

MY DEAR MR. WALKER: Today we received word by cable that the . . .³⁸ Government are now ready to send a trusted representative to discuss the terms of a projected agreement.

The man selected is the one who acted for that Government previous to the Disarmament Conference of 1922. We, however, still think it would be better if a representative went from here.

Of even more significance is the fact that the most recent statements from . . .³⁹ are *exactly* in accordance with the plan which we worked out with those people before leaving their country. Their very state-

³⁵ Eugene H. Dooman, Counselor of Embassy in Japan.

³⁶ Copies in paraphrase sent by the Department to the Office of Naval Intelligence and the Military Intelligence Division on January 28.

³⁷ Transmitted to the Secretary of State by President Roosevelt with his covering memorandum of February 3, which asked: "What shall I do next?" Original returned to President Roosevelt.

³⁸ Omission indicated in the original; probably "Japanese".

³⁹ Probably "Japan".

ments are intended to indicate their consent. The harsh talk is for home consumption, lest that Government be supplanted by a group of Extremists. A bid for friendly settlement is being clearly made.

I have thought it might be helpful if Father Drought⁴² were to spend a week or so in Washington to remain on call. That Government has now given clear indications that a quick move along the lines proposed would be successful. Father Drought knows their plan and could interpret the day-to-day developments accordingly; whereas their moves may otherwise puzzle, or completely deceive, any one not previously informed of their true character.

These recent developments incline us to feel that we should at least stand ready to be of immediate assistance, if our cooperation is desired. But, for this, we will rely completely on your own judgment. I would be very grateful if, without taking the trouble to write, you would indicate your opinion by 'phone or telegram.

Very sincerely yours,

JAMES E. WALSH
Superior General—Maryknoll

711.94/1945 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, January 30, 1941—7 p. m.
[Received January 30—10: 15 a. m.]

143. The Foreign Minister is reported by today's vernacular press to have stated yesterday in reply to interpellations in the Budget Committee of the House of Representatives that, although his previous statements on Japanese-American relations may have seemed pessimistic, he did not yet despair. He hoped that Admiral Nomura⁴³ would explain to President Roosevelt and the American people the true intentions of Japan, making them realize Japan's determination and the fact that the Japanese-American issue involves the destiny of mankind.

In discussing the China incident the Minister repeatedly said that Chiang Kai-shek, Britain and the United States must be made to know that economic pressure can never halt Japan's determined course. Netherlands East Indies negotiations were admittedly difficult but the Minister did not believe that the Dutch would refuse Japan's demands to the end.

This evening's *Nichi Nichi* reports that Foreign Minister Matsuoka was asked today in a meeting of a budget subcommittee of the House

⁴² Very Reverend James M. Drought, Vicar General of the Catholic Foreign Mission Society of America, known as "Maryknoll Fathers", of New York.

⁴³ Appointed Japanese Ambassador to the United States and formerly Minister for Foreign Affairs.

of Representatives whether Article III of the Tripartite Pact would come into effect in case Japan's "life line" were endangered by strengthened Anglo-American military bases in the Pacific. The Foreign Minister replied that circumstances of this nature might bring Article III into effect and that Japan was viewing with extreme concern British and American activities in the South Seas and China. He said that unrelenting attention was being paid to the military and diplomatic aspects of the situation.

GREW

711.94/1946 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, January 31, 1941—9 p. m.
[Received January 31—4: 19 p. m.]

151. Embassy's 143, January 30, 7 p. m., final paragraph. Tonight's *Japan Times and Advertiser* editorial column is devoted principally to a discussion of Foreign Minister Matsuo's remarks in the House of Representatives Budget sub-Committee meeting yesterday, reported in our telegram under reference. The *Times* interprets the Foreign Minister's statement as a "specific warning" that through invocation of Article III of the Tripartite Pact Japan might receive military support from Germany and Italy in case of threat from the United States and Britain, such as establishment of bases in the Pacific under terms of the Lend-Lease Bill.⁴⁴ Thus, according to the *Times*, the meaning of the pact has taken on a new character. Mr. Matsuo's remarks which were published only in the *Nichi Nichi* and the *Koku-min* are translated by the *Japan Times and Advertiser* as follows: "He said such operations in the Pacific were feared out of which 'it is possible that we shall be warranted in concluding that a case has arisen which can be interpreted as coming within the scope of the Tripartite Alliance. The presence of Great Britain and the United States in China and the South Seas area is a matter of grave importance to our country . . . ⁴⁵ there is no excluding the possibility that we may have to make a supreme decision as a consequence of these British and American activities.'"

Because of its interest in revealing the interpretation which has thus been given to the Foreign Minister's remarks, the following comment of the *Japan Times and Advertiser* is quoted verbatim:

"Two propositions immediately present themselves. One is that further help to Chiang will be accepted by the Tripartite Allies as

⁴⁴ Approved March 11, 1941; 55 Stat. 31.

⁴⁵ Omission indicated in the original.

invoking Article III, in other words as an attack upon their joint interests. Another is that American use of Singapore base and other facilities, and British use of American bases, would be regarded as hostile acts authorizing Tripartite retort with power. What Germany and Italy could do to assist Japan naturally is not divulged. At any rate the Minister's emphasis appears as if Japan would not wait for a direct attack by any power, but would regard preparations to make such an attack more threatening, in the light of hostilities.

The phrase 'supreme decision' contains the gravest meaning. So far Germany has taken no action regarding American help for Britain, but apparently Japan is considering some forceful measures about foreign help for Chiang, or for Anglo-American preparations in or near Japan's co-prosperity sphere. Nevertheless, there is a reassuring feature in Mr. Matsuoka's previous statement that he considers the Tripartite Alliance an instrument for peace."

No official version of the Foreign Minister's remarks in the Committee session is available to the Embassy. The Japanese original of the final sentence of Mr. Matsuoka's remarks as quoted in the press is somewhat vague and is identical in the *Kokumin* and *Nichi Nichi*. It is believed that the sense of the original is somewhat less strong than that conveyed by the *Times*.

GREW

711.94/2037

*Memorandum of Conversation, by the Under Secretary of State
(Welles)* ⁴⁸

[WASHINGTON,] February 4, 1941.

The French Ambassador ⁴⁹ called to see me at his request. The Ambassador read to me a long telegram dated January 31 sent by the French Ambassador in Tokyo ⁵⁰ reporting upon the present situation in Tokyo. The telegram, which went into considerable detail, was exceedingly interesting and in general in accord with the information recently cabled by Ambassador Grew. There was one element in it, however, which had been absent from Ambassador Grew's recent telegrams. The French Ambassador reported that opinion within the Japanese Diet and governmental circles, as well as within the Japanese Army and Navy, was crystallizing rapidly into two parts—one stressing the probability of war between Japan and the United States, the other insisting that the real danger to Japan was the Soviet Union and that the war propaganda against the United States was being stimulated by Soviet ambitions for aggression against Japan. The French Ambassador reported that during the two nights before he

⁴⁸ Noted by the Secretary of State.

⁴⁹ Gaston Henry-Haye.

⁵⁰ Charles Arsène-Henry.

sent this telegram one of these anti-Soviet organizations, referred to in the telegram as the "Kokokukai", had plastered the walls throughout Tokyo with posters claiming that the real danger which Japan had to fear was the Soviet Union and not the United States.

S[UMNER] W[ELLES]

711.94/1973½

The Secretary of State to President Roosevelt ⁵¹

WASHINGTON, February 5, 1941.

Referring to your memorandum of February 3,⁵² covering a letter from Bishop Walsh to the Postmaster General, and to the memorandum which I am sending to you, separately,⁵³ in comment upon possible procedure suggested by the Bishop in regard to relations with Japan,—

In as much as the Japanese Government is sending a new Ambassador, who is due to arrive here shortly, would it not seem desirable to await arrival of and contact with that Ambassador before taking any action regarding any suggestions offered through indirect channels?

The letter from Bishop Walsh to the Postmaster General is returned herewith.

894.00/1033

The Secretary of State to President Roosevelt ⁵⁴

WASHINGTON, February 5, 1941.

Referring to your memorandum of January 26,⁵⁵ forwarding the memorandum that was handed to you several days ago by Bishop Walsh on the subject of a possible procedure in relations with Japan, I have studied the matter carefully and I give detailed comments in the memorandum immediately hereunder.⁵³

I doubt the practicability of proceeding on any such line at this time. It seems to me that there is little or no likelihood that the Japanese Government and the Japanese people would in good faith accept any such arrangement—at this stage. It also seems to me that, if through the good offices of this Government an arrangement were worked out which would extricate Japan from its present involvement in China, the *likelihood* would be that Japan would extend and accelerate her aggressions to the southward rather than that Japan

⁵¹ Drafted by the Adviser on Political Relations (Hornbeck).

⁵² See footnote 37, p. 17.

⁵³ *Infra.*

⁵⁴ Drafted by the Chief of the Division of Far Eastern Affairs (Hamilton) and approved by the Adviser on Political Relations (Hornbeck).

⁵⁵ See footnote 31, p. 14.

would change her present course of aggression to one of peaceful procedures. At the same time, I feel that we should not discourage those Japanese who may be working toward bringing about a change in the course which their country is following. Admiral Nomura, Japanese Ambassador-designate to the United States, is expected here soon. Upon his arrival he may have some proposals and suggestions to offer. We shall of course wish to listen carefully to what he has to say and we can try to convince him that Japan's own best interests lie in the development of friendly relations with the United States and with other countries which believe in orderly and peaceful processes among nations. We should not, I think, resort to other agents and channels before we have even talked with the Ambassador and while we can work through Mr. Grew at Tokyo.

The memorandum left with you by the Bishop is returned herewith. I am also returning to you, separately, the letter sent by the Bishop to Mr. Walker.

894.00/1033

The Secretary of State to President Roosevelt ⁵⁷

WASHINGTON, February 5, 1941.

Referring to the strictly confidential memorandum relating to the Far Eastern situation which was left with you several days ago by Bishop Walsh, it seems to me that we can best approach the question presented in the memorandum by mentioning briefly certain facts fundamental in the Far Eastern situation and then examining the proposed plan of procedure in the light of those fundamentals.

The first fundamental is that since 1931 Japan has been dominated more and more by the military group—a group which finds adherents in all classes of Japanese society, the soldier, the sailor, the merchant, the industrialist, the farmer, et cetera, et cetera. This group sets a peculiarly high value on the use of force as an instrument both in national and in international affairs. As Japan's military adventuring on the Asiatic mainland and southward has proceeded, the unmistakable trend in Japan has been toward an authoritarian control with the military group coming more and more to the front. During this process, there have been some elements in Japanese society which have felt that the course being followed by their country was a mistaken one. On the whole, these elements have had, up to the announcement on September 27, 1940, of the alignment by Japan with Germany and Italy in the tripartite alliance, less and less voice in Japan's affairs. The reaction of the United States to the three power alliance, the

⁵⁷ Drafted by the Chief of the Division of Far Eastern Affairs (Hamilton) and approved by the Adviser on Political Relations (Hornbeck).

statements made by you in your fireside chat of December 29⁵⁸ and in your message of January 6 to Congress,⁵⁹ the statements made by me on January 15 before the House Committee on Foreign Affairs⁶⁰ and on January 27 before the Senate Committee on Foreign Relations,⁶¹ the increasing manifestations that this country is rearming at a steadily accelerating rate of speed and that this Government and this country are determined to assist Great Britain and other countries which are protecting themselves against aggression, and the British and Greek successes against the Italians,—all these have probably caused many Japanese to feel that their course of action may bring them into conflict with the United States and that their course is more fraught with serious risk to Japan than had previously been estimated.

If events are permitted to take their course, it seems probable that Japan will for the time being become more and more authoritarian and more and more military-controlled. In view of the big strides already made by Japan in those directions, it would be extremely difficult to check or to change the direction at this time. It seems clear that Japan's military leaders are bent on conquest—just as are Germany's. They demand that this country make concessions: that we give up principles, rights, interests: that we stand aside while Japan proceeds by force to subjugate neighboring areas and, working in partnership with Germany, contributes to the establishing of a new "world order": even that we facilitate their efforts by promising to give them financial assistance for the exploitation of areas which they expect to conquer. Is there anything that can stop this aggressively moving force—other than the resistance of a stronger obstacle or the resistance of a greater force?

Another fundamental fact is that the Chinese are fighting for their existence, against forces of aggression which, if successful, will probably increasingly menace the interests of the United States.

Ever since Japan's military leaders embarked on their present course in 1931 various efforts have been made by Japanese leaders to persuade the Government of the United States to conclude some sort of new political arrangement with the Japanese Government. This effort has been motivated largely by a desire on Japan's part to make it appear to the world, and especially to their own people and to the Chinese, that the United States was prepared to acquiesce in—and even to assent to—the results of Japan's program of conquest. Japanese leaders have undoubtedly hoped by the conclusion of such an arrange-

⁵⁸ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 173.

⁵⁹ Department of State, *Peace and War: United States Foreign Policy, 1931-1941* (Washington, Government Printing Office, 1943), p. 608.

⁶⁰ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 131.

⁶¹ The statement of January 15 was repeated; *To Promote the Defense of the United States: Hearings before the Committee on Foreign Relations, United States Senate, 77th Cong., 1st sess., on S. 275, pt. 1, p. 3.*

ment to discourage the Chinese and cause the Chinese leaders to make peace with Japan on Japan's terms.

Many of Japan's leaders earnestly desire now to extricate Japan from its present involvement in China in order that Japan may be in better position than it is at this time to embark on conquest to the southward in areas which are richer in natural resources than is China and from which Japan might, if successful in conquering these areas, enrich herself more rapidly than she can in and from China. Any arrangement which would help Japan to extricate herself temporarily from her involvement in China would be of doubtful soundness from point of view of the best interests of the United States—and of the world—unless it also made effective provision that Japan desist from her program of conquest.

Turning now to the plan suggested in the memorandum under reference: An effort has been made to consider the proposed plan in its broad aspects, to evaluate the ideas which underlie the plan, and to appraise the plan in perspective. There are a number of statements in the proposed plan which, as they stand, are definitely not practicable. Comments in regard to some of these are contained in an annex to this memorandum. As indicated, the discussion in this memorandum is restricted to comment upon the plan as a whole.

With regard to section "I. Legal", it might be feasible for the Japanese Government to make, as a unilateral action, a declaration somewhat along the lines of Article III of the three power alliance to the effect that in view of the agreement between the United States and Japan relating the various aspects of the Far Eastern situation the Japanese Government would agree, should the United States be attacked by a power at present involved in the European war, to assist the United States with all political, economic, and military means. I doubt, however, that Japan would give such a unilateral commitment. I am sure that it would not be feasible for this Government to undertake to give Japan a reciprocal commitment.

With regard to section "II. Politic", subsection A, this Government would, it is assumed, be prepared to cooperate toward bringing about a settlement of the Chinese-Japanese conflict—were Japan *and* China both to indicate willingness to negotiate on a basis reasonably fair and just to all concerned.

Referring to the statement in this subsection that "China and Japan could . . . unite to fight Communism in China and in the Far East", it needs to be remembered that the Chinese have repeatedly rejected offers of the Japanese to assist in fighting communism in China and have declared such offers to be merely a mask for Japanese military operations of occupation. Experience shows that the working out of any arrangement on this matter which would be acceptable both to

Japan *and* to China would be extremely difficult if not impossible under present circumstances.

With regard to subsection B—in which it is suggested that there be recognition of a Far Eastern “Monroe Doctrine” and that provision be made with regard to the political status of the Philippine Islands, Hong Kong, Malaya, Indochina, and the Dutch East Indies—it might be feasible to work out something along the lines indicated. However, a Far Eastern “Monroe Doctrine” would be difficult to define either as to terms or as to area. As to terms, there would need be recognition of the legal equality of each of the areas (countries) included in the doctrine. As to area, the Far East is not readily delineated as a geographical area. For example, questions would arise whether countries such as India and Australia should or should not be included. There is also the question of Eastern Siberia. In one sense, such geographical questions are not important. In another sense, however, they raise further questions: whether the ties, historical, cultural, commercial, and racial, among the various regions of the Far Eastern area (Pacific area) are such as to make it feasible for there to be adopted with regard to the area any doctrine which is regional in character. We of course would not wish to be doctrinaire on this point, but at the same time it seems essential that thought be given to all important aspects of the matter.

With regard to subsections C and D, no comment would seem to be needed.

With regard to section “III. Economic”, we have long believed that there are many constructive lines open to Japan and to the United States in the realm of economic and financial matters *provided* that Japan desists from the course of conquest on which she has been engaged since 1931.

In general, I am skeptical whether the plan offered is a practicable one at this time. It seems to me that there is little or no likelihood that the Japanese Government and the Japanese people would in good faith accept any such arrangement at this stage. It also seems to me that, if through the good offices of this Government an arrangement were worked out which would extricate Japan from its present involvement in China, the *likelihood* would be that Japan would extend and accelerate her aggressions to the southward rather than that Japan would change her present course of aggression to one of peaceful procedures. At the same time, I feel that we should not discourage those Japanese who may be working toward bringing about a change in the course which their country is following. As I said in my statement before the Foreign Affairs Committee of the House of Representatives, this Government has, notwithstanding the course which Japan has followed during recent years, made repeated efforts

to persuade the Japanese Government that Japan's best interests lie in the development of friendly relations with the United States and with other countries which believe in orderly and peaceful processes among nations. You have worked hard at that. I have worked hard at it. Mr. Grew has worked hard at it.

Admiral Nomura, Japanese Ambassador-designate to the United States, is expected here soon.⁶³ Upon his arrival he may have some proposals and suggestions to offer. We shall of course wish to listen carefully to what he has to say and we can try to convince him that Japan's own best interests lie along lines other than that she is now pursuing. Should we succeed in convincing him, the next question will be can he convince his own Government and people?

[Annex]

COMMENTS ON SUBORDINATE ASPECTS OF THE PROPOSED PLAN

One. The plan itself is not new. Various of its aspects have been presented at one time or another, sometimes by Americans, sometimes by Japanese.

Two. In section "II. Political", subsection B, there is a statement in regard to a "Japanese-American guarantee". It would be contrary to long-standing policy of the United States to undertake to give such "guarantee". However, in view of the fact that many Americans believe that this Government in the Washington Conference Nine Power Treaty⁶⁴ gave a "guarantee" in regard to China's independence, whereas this Government in that treaty simply promised to *respect* China's independence, et cetera, it may be that the drafters of the phrase in question had in mind nothing more than some agreement whereby this Government and other governments would pledge themselves anew to respect the independence and the status of the areas mentioned.

In this same subsection there is reference to the establishment of autonomous governments in Indochina and in the Dutch East Indies, with the further statement that in the Dutch East Indies Queen Wilhelmina could be accepted as sovereign. The problem of working out arrangements in accordance with the statements made in the proposed plan would present obvious difficulties. However, both French Indochina and the Dutch East Indies are at the present time operating in many respects as at least semi-autonomous regions.

Three. The Chinese, having in mind past Japanese failures to honor contractual obligations, have consistently insisted that they

⁶³ Admiral Nomura called on the Secretary of State on February 12 and on President Roosevelt on February 14. For memorandum of February 14, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 387.

⁶⁴ Signed February 6, 1922, *Foreign Relations, 1922*, vol. I, p. 276.

cannot and will not begin negotiations with Japan until, as evidence of Japan's good faith, Japanese troops have first been withdrawn from China. It may be assumed that this specification on the part of the Chinese need not be regarded as absolute: a complete withdrawal by Japan of her forces need not be regarded as the condition precedent; but some clear indication of a change of heart and of intention on Japan's part would seem to be a *sine qua non*.

711.94/2200

Memorandum by the Assistant Chief of the Division of Far Eastern Affairs (Ballantine) ⁶⁵

[WASHINGTON,] February 5, 1941.

With regard to the attached memoranda containing an account of Mr. Hashimoto's proposals with reference to the adjustment of American-Japanese relations,⁶⁶ there are offered below comments and suggestions as follows:

From all evidence available it is believed that Mr. Hashimoto is a person of standing and influence in Japan, and there appears to be no reason to doubt his personal integrity and sincerity of purpose. At the same time he appears to be somewhat visionary and impractical in his outlook, and his very earnestness raises the question whether his judgment can be relied upon as to the likelihood of acceptance by Japan of the program he outlines. It is also not improbable that Mr. Hashimoto has been encouraged to come to this country and given support by persons who are less sincere than he is and who may either be motivated primarily by a desire to seek material which might serve as a basis for attacking their political opponents in office in Japan or think that his sincerity might be capitalized to persuade us to change our policy toward Japan without deviation on the part of Japan in its policy.

With regard to the merits of the proposals themselves, it is believed that although there are several points therein which should merit consideration in connection with any future settlement of Far Eastern and Pacific questions, the proposals, taken as a whole and in their present form, do not seem to offer a basis on which this Government could respond affirmatively to Mr. Hashimoto's approach. Even apart from the questionable propriety of officers of the Department undertaking to express to a private Japanese citizen the views of this Government in regard to proposals in the field of foreign policy, certain

⁶⁵ Initialed by the Chief of the Division of Far Eastern Affairs (Hamilton).

⁶⁶ See memoranda of January 18 and 22, pp. 4 and 10.

of Mr. Hashimoto's proposals appear clearly either to be impracticable or inconsistent with governmental principles and concepts underlying our foreign policy. Furthermore, it is doubtful whether it would be wise for this Government to take an initiative such as is called for in Mr. Hashimoto's proposal in that such initiative if taken would tend to bring about a situation in which it could be made to appear in Japan that the present policies of Japanese leaders have been successful in bringing the United States around to assent to Japanese policies rather than the reverse. Under such circumstances no real regeneration such as would be essential to produce results of permanent value is likely to take place in Japan. If Japan itself should take an initiative Japan would be likely to feel a greater responsibility and would be more likely to observe commitments than if the United States had initiated proposals for a new course of action.

Nevertheless, it is believed that the situation calls for handling Mr. Hashimoto with delicacy and tact. If he should feel that he had been rebuffed it might have an unfortunate effect in strengthening the pro-German group in Japan. Accordingly, it is suggested that a reply be given to Mr. Hashimoto orally along lines substantially as indicated in the attached draft.⁶⁷

So far Mr. Hashimoto has met in the Department only Mr. Hornbeck, Mr. Hamilton, and Mr. Ballantine. In view of the trouble he has taken to come to this country in connection with the matter in hand, it is believed that he and those associated with him in Japan would appreciate it if he could be received by a higher officer of the Department, and accordingly it is suggested that Mr. Berle⁶⁸ might care to receive him. In this case, it is further suggested in view of the time that would be necessarily consumed in interpreting conversations, that Mr. Berle might prefer to confine himself to a few general observations and to indicate to Mr. Hashimoto that Mr. Ballantine has been instructed to communicate in more detail our views to him.

Although no specific objection is perceived to giving Mr. Hashimoto as a record of our oral statement an unsigned and undated *aide-mémoire*, it is believed, in view of the fact that Mr. Hashimoto gave us nothing in writing (although he did allow Mr. Ballantine to examine carefully Hashimoto's prepared statement), it might be preferable for us to follow the same course. Mr. Ballantine could go over such draft in Japanese of any memorandum that Mr. Hashimoto might wish to make of the statement we make to him, and in this way

⁶⁷ See oral statement of February 14, p. 31.

⁶⁸ Adolf A. Berle, Jr., Assistant Secretary of State.

we could be reasonably sure that he has understood correctly what we might say.⁶⁹

740.0011 P. W./79 : Telegram

The First Secretary of Embassy in China (Smyth) to the Secretary of State

PEIPING, February 6, 1941—5 p. m.
[Received February 6—3:15 p. m.]

53. Peiping's 33, January 21, 3 p. m.⁷⁰ The American informant⁷¹ mentioned in the telegram under reference received the following information February 4 from a Chinese who has dependable sources of information (among Japanese officials) :

Germany is greatly intensifying pressure on Japan to synchronize an advance southwards with a German invasion of Great Britain planned to commence in a short time. In preparation for this Japan is attempting to obtain a nonaggression pact with Soviet Russia by ceding Saghalien Island and possibly by other concessions; also by trying to arrange a peace with General Chiang Kai-shek. The present military conference in Tokyo is discussing the disposition of land forces during the prospective [naval] war with the United States. Japanese troops are to be withdrawn from Manchuria, Central, and South China for use in Indochina and for holding North China. Wang Ching-wei⁷² is to control the lower Yangtze area with Chinese troops now being recruited for the purpose.

The American informant recently had conversations at their request with Counselor Tsuchida of the Japanese Embassy here and General Morioka, head of the Asia Affairs Board in Peiping. They appear still to be endeavoring to find an approach to General Chiang Kai-shek. Most of the conversation was along familiar lines, but the new note is that by convincing General Chiang that he and Japan have common ground in suppressing communism they can combine in this objective and cease fighting each other. Neither of the two officials appears to have any confidence in Wang Ching-wei's regime.

⁶⁹ Mr. Hamilton added: "I favor giving him nothing in writing." On February 7 Mr. Hamilton suggested that the Assistant Secretary of State (Berle) receive Mr. Hashimoto; Mr. Berle and the Secretary of State thereupon assented. On February 14 Mr. Berle received Mr. Hashimoto and Mr. Toda and indicated to them that Mr. Ballantine would present "a more detailed statement of personal views of officers of the Department on the subject of American-Japanese relations" (711.94/2032). See oral statement of February 14, p. 31.

⁷⁰ Vol. v, p. 466.

⁷¹ Dr. John Leighton Stuart, president of Yenching University, Peiping.
⁷² Wang Ching-wei was head of the Japanese-sponsored "government" at Nanking.

According to the American informant, a number of Chinese who are connected with the Japanese-controlled regime in North China, including some of the most prominent, [have] during the past month or two been endeavoring to "mend their fences" with Chungking apparently having begun to feel that Japan will lose out in China.

Sent to the Department, repeated to Chungking, Tokyo, Shanghai.

SMYTH

711.94/1976½

The Chargé in Germany (Morris) to the Acting Chief of the Division of European Affairs (Atherton)

BERLIN, February 8, 1941.

[Date of receipt not indicated.]

DEAR ATHERTON: I have to refer to my telegram No. 97 of January 10, 5 p. m.,⁷³ regarding the projected visit in Washington of Saburo Kurusu, retiring Japanese Ambassador in Berlin, on his way back to Japan.

Kurusu will leave here in the next few days, embark at Lisbon on February 28, and will presumably reach Washington around the middle of March. I have talked with him again recently and he repeated his hope of having some talks with officials and others in Washington. He mentioned Joseph E. Davies, who was his colleague at Brussels. At the same time he repeated that his trip was unofficial and he remarked that his hope and project of having conversations presented a rather delicate problem. Japan had an Ambassador in Washington and he must be careful not to invade his sphere. Further, given the "personal" nature of his visit and the delicate situation, he could not, he said, "force himself" upon people. He felt rather pessimistic that any exchange of ideas could lead toward a solution of the intensifying difficulties of Japanese-American relations; possibly things had gone too far, but nevertheless he thought that men of good will with an understanding of the issues must explore every possible peaceful solution of the problem.

I of course cannot vouch for Kurusu in any way nor am I certain just what are the real purposes of his visit to Washington. Perhaps he merely hopes through conversations with officials in Washington to build up a position for himself when he returns to Japan. I must say, however, that my impression is that he has a sincere belief that Japan must—perforce—cooperate with the United States—that a war would be a disaster for his country. After all, in view of his marriage to an American woman, his own position in Japan and that of his family would presumably be tolerable only in a situation of good

⁷³ Not printed, but see despatch No. 4198, January 10, p. 2.

relations between the two countries. In any case, he is a highly intelligent man who has had opportunity to look behind the scenes here and something interesting would probably emerge from his conversation.

Sincerely yours,

LELAND MORRIS

711.94/2200

*Oral Statement by the Assistant Chief of the Division of Far Eastern Affairs (Ballantine) on February 14*⁷⁴

We have considered very carefully what you have said in regard to ways and means of improving American-Japanese relations and placing them on a solid and mutually advantageous footing.

We are sure that you will realize that in whatever we may say to you by way of comment in regard to the proposals that you have laid before us none of us is expressing or will undertake to express "the American view" on such subjects or "the views of the American Government"; officials of this Government could not undertake to speak for this Government other than to an accredited official of the Japanese Government. In this connection you may be interested in a statement which was issued on December 30, 1940⁷⁵ in reply to press inquiries regarding statements attributed to Mr. Verne Marshall, of the "No Foreign War Committee", on the subject of peace proposals said to have been brought from Europe in October 1939 by Mr. William Rhodes Davis:

"Naturally individual citizens often volunteer to the State Department information and suggestions pertaining to some phase of international affairs. These are always courteously received. Nothing, however, has come to the State Department on the subject mentioned, which has proved feasible.

"Furthermore, the Government can only conduct important international affairs effectively through duly authorized and official channels created for that purpose."

We feel, however, that we may without impropriety offer for your consideration in a purely personal way certain general observations which we believe have a bearing upon the subjects which you have brought up.

As you are aware, under our constitutional system, the legislative branch of the Government shares in the responsibility of foreign policy in that treaties require ratification with the advice and consent of the Senate. It naturally follows that the Executive Branch of the

⁷⁴Notation on February 14; "Mr. Ballantine orally communicated to Mr. Hashimoto the contents" of this statement.

⁷⁵Department of State *Bulletin*, January 4, 1941, p. 12.

Government in negotiating treaties cannot enter into any commitments not embodied in the treaties themselves, that is to say, it would be contrary to the practice of this Government to negotiate a treaty under circumstances where agreement of the other party or parties to the treaty would be contingent upon the entering by this Government into separate commitments. Moreover, it has been in fact the traditional policy of the United States to refrain from making commitments to foreign governments involving future hypothetical situations. This policy permits this Government to extend spontaneously without commitments cooperation to nations which have given practical evidence of their intention to pursue policies in harmony with those of the United States and to withhold cooperation from nations which pursue policies injurious to our interests. Our foreign policies are of universal application, and our friendship and cooperation are open to all countries which pursue policies consistent with the principles in which we believe.

There is also another aspect to the point which we have mentioned in regard to the necessity that any treaty into which this Government enters be submitted before ratification to the advice and consent of the Senate. There would be bound to rise in the debates attending the deliberation of any political agreement covering the Far East and the Pacific area the question of the present status of various treaties, especially the Nine Power Treaty and the Four Power Treaty,⁷⁶ concluded during the Washington Conference of 1921-1922. As you are doubtless aware, there has been widely expressed in this country the view that Japan by its actions in China has violated the Nine Power Treaty and the question would undoubtedly be raised why should the United States now enter into a new Pacific pact with Japan when Japan has failed to respect the Nine Power Treaty. Of course, if what you have in mind in connection with this proposed Pacific pact is merely a modification of the two treaties in question to meet new conditions, we think that an answer in principle to your proposal is to be found in this Government's note to the Japanese Government of December 30, 1938,⁷⁷ in which it was stated that:

"The Government of the United States has at all times regarded agreements as susceptible of alteration, but it has always insisted that alterations can rightfully be made only by orderly processes of negotiation and agreement among the parties thereto.

⁷⁶ Latter signed at Washington, December 13, 1921, between the United States, British Empire, France, and Japan, *Foreign Relations*, 1922, vol. I, p. 33.

⁷⁷ *Foreign Relations*, Japan, 1931-1941, vol. I, p. 820.

"The Government of the United States has, however, always been prepared, and is now, to give due and ample consideration to any proposals based on justice and reason which envisage the resolving of problems in a manner duly considerate of the rights and obligations of all parties directly concerned by processes of free negotiation and new commitment by and among all of the parties so concerned. There has been and there continues to be opportunity for the Japanese Government to put forward such proposals. This Government has been and it continues to be willing to discuss such proposals, if and when put forward, with representatives of the other powers, including Japan and China, whose rights and interests are involved, at whatever time and in whatever place may be commonly agreed upon."

You raise the question of a recognition by the United States of Japanese leadership in East Asia. Such a recognition, however, would be inconsistent with the fundamental conception which we hold that all nations are equal under international law. There is, of course, such a thing as a nation exercising a moral leadership internationally, but such leadership cannot be conferred upon any nation by the declaration of some other government nor can it be created through unilateral action by the nation which seeks such leadership. It can exist only through the spontaneous realization by others that the nation concerned has demonstrated in its dealings with other countries the qualities of leadership. These qualities include a scrupulous sense of fairness and justice and forbearance in dealing with weaker nations. The United States does not assert for itself any superiority over any of the nations of the Western Hemisphere or over any other nations. It does not seek "recognition" by other governments of any such superiority. If Japan by following a policy of justice and fair play in dealing with its neighbors commends itself to those neighbors in such a way that they voluntarily look to Japan for leadership, such a development would doubtless be welcomed by all peace loving nations.

With regard to the need to which you refer of Japan's securing equality of economic opportunity, you may have noted in the statement of the Secretary of State of July 16, 1937,⁷⁸ the following in regard to this Government's position:

"We advocate steps toward promotion of economic security and stability the world over. We advocate lowering or removing of excessive barriers in international trade. We seek effective equality of commercial opportunity and we urge upon all nations application of the principle of equality of treatment. . . . We avoid entering into alliances or entangling commitments but we believe in cooperative effort by peaceful and practicable means in support of the principles hereinbefore stated."

⁷⁸ *Foreign Relations, Japan, 1931-1941*, vol. 1, p. 325.

With regard to the retrocession of special rights in China, the attitude of the United States has already been indicated to the Japanese Government. In this Government's note to the Japanese Government of December 30, 1938, it was stated:

“. . . All discerning and impartial observers have realized that the United States and other of the 'treaty powers' have not during recent decades clung tenaciously to their so-called 'special' rights and privileges in countries of the Far East but on the contrary have steadily encouraged the development in those countries of institutions and practices in the presence of which such rights and privileges may safely and readily be given up; and all observers have seen those rights and privileges gradually being surrendered voluntarily, through agreement, by the powers which have possessed them. On one point only has the Government of the United States, along with several other governments, insisted: namely, that new situations must have developed to a point warranting the removal of 'special' safeguarding restrictions and that the removals be effected by orderly processes.”⁷⁹

On July 19, 1940, in a statement⁷⁹ made in response to inquiries from press correspondents, the Acting Secretary of State, Mr. Welles, referred to the note quoted above and added:

“In 1931 discussions of the subject between China and each of several other countries, including the United States, were suspended because of the occurrence of the Mukden incident and subsequent disrupting developments in 1932 and 1935 in the relations between China and Japan. In 1937 this Government was giving renewed favorable consideration to the question when there broke out the current Sino-Japanese hostilities as a result of which the usual processes of government in large areas of China were widely disrupted.

“It has been this Government's traditional and declared policy and desire to move rapidly by process of orderly negotiation and agreement with the Chinese Government, whenever conditions warrant, toward the relinquishment of extraterritorial rights and of all other so-called 'special rights' possessed by this country as by other countries in China by virtue of international agreements. That policy remains unchanged.”

The people of the United States, of course, desire friendly relations with Japan, as they do with all countries, and there is no reason to suppose that the American Government would not be prepared to negotiate a new commercial treaty with Japan whenever conditions should be such as to render it likely that there would be a reasonable prospect of there being negotiated a treaty which would be mutually advantageous to both countries. We have not failed fully to inform the Japanese Government of our views on this matter.

With regard to the question of American loans and credits to Japan, as was indicated to you in the conversation of January 18, the United

⁷⁹ *Foreign Relations, Japan, 1931-1941*, vol. I, p. 927.

States has traditionally encouraged the granting by its citizens of such loans to countries which practiced peaceful and constructive policies; citizens of the United States and the Government of the United States, itself, have at one time or another made loans to a great many countries; and prior to 1931 the United States pursued such a policy toward Japan. As soon as Japan gives practical evidences of its intention to pursue peaceful policies, there will surely exist ample opportunity for the two countries to explore the possibility of mutually profitable cooperation in many ways.

As to the nature of the terms of a treaty which might be appropriate as a basis for future relations between Japan and China, we feel that so long as the provisions of such a treaty do not adversely affect the rights and interests of third countries, it should be for the Chinese Government and not for third countries to say whether the provisions offered are satisfactory. If such proposals as Japan may offer China are so precise as to their terms as to define clearly the rights and obligations of each party then it would seem to us that China could at least consider the terms on their merits.

We appreciate very much the interest in improving American-Japanese relations which has prompted you to devote so much effort to studying the question and to take the trouble to come to the United States in behalf of this cause. It goes without saying that this is a subject which is engaging our constant thought. We are not unmindful of what you have said in regard to the difficulties which would confront the Japanese Government in bringing about an alteration of its policies, but it is our firm conviction that if Japan is to exercise a moral leadership in East Asia of a character that will gain general respect, it would best serve such a purpose if the Japanese Government should find some means of overcoming the difficulties under reference and itself take the initiative along lines looking to a change in Japan's policy and procedures.

If and as Japan should change its course of policy and action along the lines which have been suggested the difficulties which have arisen in the relations between Japan and the United States will tend automatically to disappear. This is because these difficulties have been created by Japan's policies and actions. The United States throughout has been and is on the defensive, asking only that law be observed, treaty pledges be kept and rights be respected. It must, of course, be understood that measures taken by this country in connection with its national defense cannot be relaxed in the present world situation; such measures must therefore be excepted from the field of action in which it would be possible for this country to contribute to a removal of the difficulties mentioned. It is apparent, however, that the situation

which has impelled this country to strengthen its defense is not of our making, but has been brought about by the actions of other countries; when those countries cease to threaten world peace and our own security we can reduce our national defense preparations accordingly.

In conclusion, we wish to express the hope that when you return to Japan, you will tell your associates that the people of the United States entertain only the most friendly feelings toward the Japanese people; that we believe that pursuit by Japan of policies such as we recommend for universal application will best ensure enjoyment by Japan of conditions of peace, prosperity and stability and best enable Japan to contribute to the culture and welfare of mankind; and that we earnestly look forward to the advent of a new era of peace and progress in East Asia based upon mutual confidence and respect among nations.

793.94119/730 : Telegram

The Consul General at Shanghai (Lockhart) to the Secretary of State

SHANGHAI, February 14, 1941—4 p. m.

[Received February 15—10:45 p. m.]

189. 1. The American educator⁸⁰ referred to in Peiping's 513, December 11, (1940) noon, to the Department,⁸¹ who is in Shanghai, informed me yesterday that a high ranking Japanese military officer⁸² (see second paragraph of Nanking's confidential telegram No. 100, September 27, 6 p. m. to the Department,⁸³ for name) who attended the recent military conference at Nanking, had come to see him and stated that 18 commanding officers in China attended the conference and that they were unanimous in expressing a desire to end the China conflict and were prepared to "recognize Chiang Kai-shek." My informant stated that the officer informed him the Japanese were prepared to "guarantee China's national independence" which, they realized, would mean the withdrawal of all Japanese troops south of the Great Wall. My informant, to my further surprise, also said that the officer mentioned stated that the Japanese were prepared to accept American mediation. According to my informant, one of the officers attending the conference is reported to be shortly proceeding to Japan to put before the authorities there the views above mentioned. My informant expressed to me his opinion

⁸⁰ Dr. John Leighton Stuart, president of Yenping University, Peiping.

⁸¹ *Foreign Relations*, 1940, vol. iv, p. 466.

⁸² Lt. Gen. Seishiro Itagaki, Chief of Staff of the Japanese Army in central China.

⁸³ Not printed.

that the problem, if the foregoing attitude was in fact adopted by the Nanking conference, is in Tokyo and not in Chungking.

2. I asked my informant what he considered would be the plan of the Japanese if some peace formula were found, to deal with the economic questions and other problems which have grown out of the Sino-Japanese war and he replied that the Japanese participating in the Nanking conference profess to believe that all those questions could be settled at a conference participated in by China, Japan and the United States.

3. Informant stated that his Japanese military confidant wished him to go to Tokyo in connection with above matter but that he would not do so unless asked by Chiang Kai-shek, with whom he expected to get into communication. He also said that both sides were anxious to come out of the conflict without loss of "face" and that the Japanese officer expressed the hope that President Roosevelt would take the initiative in finding a solution which would be satisfactory to both sides.

4. I submit the above as a matter of information and can only say that the Japanese officer has allegedly long desired the conclusion of peace with China and that my informant was impressed by what was told him and believes that the possibilities offered should be discreetly explored.⁸⁴

Sent to the Department, repeated to Chungking, Peiping and Tokyo.

LOCKHART

711.94/1958 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, February 14, 1941—8 p. m.
[Received February 14—11:25 a. m.]

230. 1. This afternoon Dooman paid a courtesy call on the Vice Minister for Foreign Affairs⁸⁵ which developed into a conversation of more than one hour.⁸⁶ Mr. Ohashi's request for an account of trends in American opinion during Dooman's recent stay in the United States afforded an opportunity to get home to Ohashi certain views which I have been emphasizing to and spreading among my Japanese contacts in recent weeks as suitable occasion offered.

2. Among the points emphasized by Dooman was the determination of the American people, having in view the ultimate safety of the

⁸⁴ Consul General Lockhart, in telegram No. 192, February 15, 10 a. m., reported that Dr. M. S. Bates, American missionary at Nanking, had given him certain information obtained from Japanese sources, regarded by Dr. Bates as reliable, which tended to confirm "the more important statements" set forth herein (793.94119/731).

⁸⁵ Chuichi Ohashi.

⁸⁶ For memorandum of conversation, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 138.

United States, to supply England with all that was necessary for England to withstand the offensive which Germany was expected to put on shortly. Although the overwhelming majority of the American people abhorred the thought of war, not even the possibility of their involvement in the European war would deter them from carrying out their determination to help England. The thought of involvement in a war in the Far East was equally abhorrent to the American people, and in line with the policy which has been faithfully pursued during the recent years of disturbances in the Far East the American Government and the American people consciously avoiding the taking of initiative which would lead to war with Japan. Nevertheless so long as helping England in her war with Germany and Italy remains the dominant objective of the United States it would be idle to assume that the United States would remain indifferent to any threat, actual or potential, by Japan or any other power, to the lines of communication between units of the British Empire, which, by depriving England of foodstuffs and raw materials, would imperil her continued existence. It must be obvious that American supply of munitions to England would be of no avail if essential commodities necessary for the continued existence of the British population and the continued maintenance of British industries were withheld, and that the success of the policy of American help to England is bound up with the keeping open of Britain's commerce with her dominions and colonies.

3. Mr. Ohashi launched into an impassioned account of the origins of the Sino-Japanese conflict. He expressed himself as satisfied that the present conflict would never have occurred if the United States and Britain had recognized Manchukuo. He stated that it was the isolation into which Japan had been pushed by those two countries which led to the conclusion by Japan of the alliance with Germany and Italy. He remarked, "We have no especially friendly feelings toward Germany and Italy and we certainly have no ideological association with them". Dooman quoted Mr. Churchill's⁸⁷ observation, "If we allow the past to quarrel with the present we shall lose the future". So long as Japan was allied with Germany and could find no mutually satisfactory settlement of her conflict with China, it would be idle and extravagant to encourage hopes of stabilizing on a satisfactory and friendly basis relations between Japan and the United States. We now, however, are facing a crisis of the first magnitude and any attempt on the part of Japan substantially to alter the *status quo* might well lead to the most serious consequences.

4. Mr. Ohashi asked whether we had been sending to Washington such "extravagant and sensational telegrams" as the British Amba-

⁸⁷ Winston Spencer Churchill, British Prime Minister.

sador⁸⁸ had been sending to London.⁸⁹ He said that the Japanese Ambassador at London⁹⁰ had been summoned by Mr. Eden⁹¹ and had been given a thorough hauling over the coals on the basis of messages from Sir Robert Craigie predicting that Japan would in the very near future move against Singapore. Mr. Ohashi said that he had repeatedly told Sir Robert that Japan would not move in Singapore or the Dutch East Indies "unless we (the Japanese) are pressed" (by the imposition of American embargoes). He said repeatedly that there was no truth whatever in Sir Robert's prediction. Dooman asked Mr. Ohashi what Japan would do if disorders beyond the power of the French to control were to arise in Indochina as a result of possible award by Japan of the provinces of Laos and Cambodia to Thailand. Ohashi replied, "we would be obliged to step in to suppress the disorders". Dooman observed that it might then be well for him to consider, in the light of the certain repercussions to any such contingency, whether grave concern over Japanese intervention in Southeast Asia and probable developments therefrom was not justified.

5. In concluding the conversation Mr. Ohashi said that he was looking forward with keen interest to receiving from Admiral Nomura reports of the results of the conversations which he would presumably have with the President and the Secretary of State.

GREW

711.94/2040

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] February 15, 1941.

The British Ambassador⁹² and the Australian Minister⁹³ called at their request. They had no real business to take up with me, but they desired to obtain whatever information they could covering the talk of the President and myself with the Japanese Ambassador which took place yesterday.⁹⁴ I said that there had thus far been no discussion, in an argumentative sense, of any of the questions and other matters pending between Japan and the United States; that there had been the usual preliminary remarks, but that the matter of getting down to real arguments and discussions of the issues involved is still ahead of us. I stated that in the first place this Government in the meetings thus far had merely stated its position with respect to the

⁸⁸ Sir Robert L. Craigie.

⁸⁹ See British *aide-mémoire* of February 7, vol. v, p. 61.

⁹⁰ Mamoru Shigemitsu.

⁹¹ Anthony Eden, British Secretary of State for Foreign Affairs.

⁹² Viscount Halifax.

⁹³ Richard G. Casey.

⁹⁴ Memorandum printed in *Foreign Relations, Japan, 1931-1941*, vol. II, p. 387.

two or three most vital questions presented, and that in doing so we have been absolutely firm in every sense, so that no sign or symptom of the slightest yielding on our part would be visible. I then added that we frankly pointed out the serious concern of the American people caused by the Japanese policy and program of force and conquest and destruction of the rights and interests of all other nations, especially during the past four to six years.

A second serious matter to this country was the Tripartite Agreement, into which Japan had entered, and in which she gave away to Hitler⁹⁵ and Mussolini⁹⁶ the sovereign power of Japan to pass on the question of whether and when Japan should go to war; that these matters were of increasing concern to the American people; that there was room in the Pacific for everybody; that nobody wants or should want to go to war; that a war between our two countries would not be helpful, but hurtful to both countries; that, in the present increasing state of concern over the course of conquest by force on the part of Japan, it would be very easy for some "incident" to occur that would greatly inflame the entire 130 million people in the United States; that it is, therefore, exceedingly important to have a discussion of the policies and programs of our two countries during the past few years and ascertain the time and manner of divergence of the course of the two nations, which finally resulted in the Japanese Government, under a policy of force and conquest, moving in one direction, and this Government, with its policy of law and justice, and fair dealing and mutually profitable cooperation, moving in precisely the opposite direction. I then said that there was a real possibility of danger that should not be overlooked by any of the peaceful countries, and that was that the military group in control in Japan, by a sudden and unannounced movement, could any day send an expedition to the Netherlands East Indies and Singapore, or they could inch by inch and step by step get down to advanced positions in and around Thailand and the harbor of Saigon, so that that would be as near a *fait accompli* as possible, leaving the peacefully disposed elements of Japan, including the Ambassador to this country, to express their amazement at such a movement or movements and to say that such actions were without their knowledge or consent. The Ambassador and Minister seemed to be impressed with these possibilities. I said further that we were giving daily attention to all phases of the Pacific area question in the light of our past acts and utterances and conversations with the Ambassador and Minister.

The Australian Minister expressed the feeling that the danger to his country was steadily increasing.

⁹⁵ Adolf Hitler, German Chief of State, Führer and Chancellor.

⁹⁶ Benito Mussolini, Italian Prime Minister and Head of Government.

I was careful not to include in my remarks anything of special significance or of a trouble-making nature in order to avoid any possible sensational publicity, and I repeatedly cautioned the Ambassador and Minister against sending even these general statements in language at all significant to their respective Foreign Offices.⁹⁷

C[ORDELL] H[ULL]

793.94119/733 : Telegram

The Ambassador in China (Johnson) to the Secretary of State

CHUNGKING, February 17, 1941—noon.

[Received February 17—9 a. m.]

71. Shanghai's 189, February 14, 4 p. m., and 192, February 15, 10 a. m.⁹⁸ The Embassy is in possession of no information which would tend to confirm that Chiang Kai-shek or other officials of the Chinese Government are now in communication with the Japanese authorities with a view to reaching a peace formula.

Chiang and other informed Chinese officials profess to believe that there are three groups in Japan who are espousing different plans of action: (1) the pro-German group will advocate temporary abandonment of the China campaign for an attack on Singapore and the Netherlands Indies in concert with the expected German offensive in Europe; (2) the navy group who advocate consolidation of present gains in Indochina and Thailand and the conduct of vigorous operations against Chinese communications while watching developments in Europe. Should Great Britain weaken permitting an attack on Singapore, should Great Britain hold out then consolidation of the Japanese position in Indochina and completion of the China campaign; (3) marked commercial group who advocate retrenchment, settlement of the China campaign, economic exploitation of Indochina and the fostering of friendly relations with the United States and Great Britain. All the foregoing groups are said to favor improved relations with Russia, all are awaiting the return of the Japanese military mission to Germany and all are equally awaiting the action of the American Congress in relation to the Lease-Lend Bill. Most Chinese appear to feel that Japan would be inclined to follow the plan advocated by the navy group; some feel, however, that the young officers' group in the army may stage yet another *coup d'état* and launch an attack in the South Seas.

⁹⁷ The Secretary of State also received the Netherland Minister (London) on February 15 and gave him "an abridgment of the statement" made to the British and Australian representatives; Dr. Loudon "made an earnest plea for arms" from the United States, as he felt that the Netherlands East Indies were in an increasingly dangerous situation (711.94/2041).

⁹⁸ Concerning the latter, see footnote 84, p. 37.

In the light of the information supplied in Shanghai's telegrams under reference it may be permissible to assume that Japan perhaps at Germany's instigation might be prepared to grant liberal concessions to bring the disastrous and costly Chinese campaign to a halt in order to concentrate all resources on the all-out of the program of southward expansion. The Chinese would find it difficult to refuse liberal terms including the withdrawal of Japanese troops from China proper even though their leaders might feel certain of the probability that if Japan should consolidate its position in the South Seas it would feel free at a later date to renew its pressure in China.

Sent to the Department, repeated to Peiping and Shanghai. Shanghai please repeat to Tokyo.

JOHNSON

740.0011 European War 1939/8459½

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁹⁹

[WASHINGTON,] February 17, 1941.

It is believed that it would be helpful were officers of the Department in conversations with Admiral Nomura and members of his staff, and officers of the Embassy in Tokyo in conversations with Japanese officials, to emphasize that Government circles in this country believe that Great Britain will not be defeated, and, further, that the United States is obviously going to do all that it appropriately can toward seeing to it that Great Britain is not defeated.

A second point that might be made in those same contacts is that Italy has gotten into nothing but trouble by her following of German leadership and that Japan has a good chance of the same if she continues to do likewise.

S[TANLEY] K. H[ORNBECK]

740.0011 European War 1939/8448 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, February 18, 1941—11 a. m.
[Received February 18—10:55 a. m.]

602. General Oshima,¹ appointed Japanese Ambassador, upon his arrival yesterday in Berlin gave an interview to the *Boersen Zeitung* in which besides stressing Japan's loyal cooperation with the Axis under the pact and his confidence in an early German victory he stated

⁹⁹ Noted by the Secretary of State and Under Secretary of State.

¹ Gen. Hiroshi Oshima, formerly Japanese Military Attaché in Germany and Ambassador there, 1938-39.

“with regard to America I should like to emphasize that my Government has not yet given up hope that Washington will correctly understand the Japanese objectives and be prepared to cooperate in the creation of a new world order. The United States has at its disposal so much living space and raw materials in its sphere of domination that it has no need of interfering with the interests of other living spaces. But if America should obstruct us in the realization of our solemnly proclaimed aims this obstruction would have to be eliminated since the United States to which its own Monroe Doctrine is sacred cannot lay claim to the right to intervene in foreign living spaces.”

MORRIS

794.00/239 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, February 18, 1941—9 p. m.
[Received February 18—4:45 p. m.]

259. 1. Recent utterances of Japanese officials as reported in various telegrams from this Embassy, including the statement issued today to foreign news correspondents by the Information Board, convey the impression that the Japanese Government has become seriously disturbed by the reaction abroad to recent Japanese moves in connection with the southward advance, particularly the penetration into Indochina and Japanese naval movements in Camranh Bay. The local press also has recently tended to play down the gravity of the situation and also to fasten blame on Great Britain rather than on the United States. Among other manifestations of this reaction abroad may be mentioned (a) the President's reported statement in press conference that if the United States should happen to get into war in the Far East, it would not affect deliveries by the United States to Great Britain; (b) the reported statement by the Australian Government indicating the acute situation in the Far East; (c) the action of the Netherlands East Indies in recalling Dutch ships from the waters of Japan and China; (d) the reported British action in mining the waters of Singapore and in sending troops to the border between Malaya and the Island.

2. Our Japanese contacts, as well as some of my better informed colleagues, sense a certain relation [*relaxation*] in the recent period of high tension and reflect a more optimistic outlook than hitherto. Mr. Hugh Byas, one of the most astute foreign observers in Japan, feels that there has been “a painless showdown” and that beneficial results are likely to accrue from the recently revealed determination on the part of the four countries mentioned above. I share this view so far as the Japanese Government is concerned but am far from

convinced that the government can control the armed forces afield. Only concrete evidence can carry such conviction.

3. In the meantime many indications come to us that beneficial influences are at work. Hirota,² who reflects the opinion of important elements associated with the Black Dragon Society, recently said to one of my reliable colleagues in confidence that Matsuoka is pursuing a policy fatal to Japan and that by allying Japan with the Axis and by further antagonizing the United States with his provocative declarations he was unwittingly acting for the best interests of Soviet Russia whose greatest wish is to see open hostilities between the United States and Japan when Soviet Russia could effectively stab Japan in the back. These and other critics of the government hold that by its precipitous and ill-considered adherence to the Axis, Japan has imprudently and uselessly permitted herself to be deprived of her liberty of action as a result of a blackmailing maneuver on the part of Germany [and?] risks "waking up one of these days in a full state of war with the United States, a certain victim of a push from behind on the part of the Soviets." Reliable informants state that this reasoning by the opposition has finally impressed the Government itself and that Matsuoka found it necessary to repeat it to his German friends, drawing their attention to the unilateral hazards which up to the present are the only results of the pact for Japan. The Germans meanwhile are leaving nothing undone to bring about a Japanese-American war, justifying their efforts with the argument that in case of war the United States would confine itself to defensive action in the Pacific in order to bring to bear its entire offensive effort in Europe.

4. Important circles furthermore aver that the Foreign Minister hastened to sign the recent provisional fisheries agreement with the Soviets for one year without regard to the costs of the operation. If Matsuoka, they continue, hopes to be able to make a personal success out of this, he is mistaken, for it is obvious that this agreement was brought about only by the desire of the Soviet Government to chastize Chiang Kai-shek for his recent misconduct in regard to Chinese Communists.

5. The foregoing points are merely straws in the wind that the influences mentioned in the Embassy's 102, January 22, 8 p. m., are not idle and that the government is facing opposition by important elements whose strength, however, can not at present be appraised with assurance. Such appraisal must depend on future developments and upon the "facts and actions" to which I alluded before the

²Koki Hirota, formerly Japanese Minister for Foreign Affairs and Prime Minister.

America-Japan Society,³ having in mind, of course, not the actions of the Japanese Government but of the Japanese armed forces afield.⁴

GREW

793.94119/734 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, February 19, 1941—6 p. m.
[Received February 20—8:02 a. m.]

208. Chauvel⁵ with some agitation showed us a telegram just received from Tokyo. Ambassador Henry reported that he had learned from a reliable source which he did not specify that Matsuo-oka was on the point of departing secretly for Nanking with every hope of reaching an agreement with Chiang Kai-shek for the settlement of the Sino-Japanese undeclared war. Chauvel said that it was of the utmost importance for the French to know whether such a settlement is really on the point of being concluded. The French Ambassador⁶ is absent from Chungking at this time and there is only a junior secretary there without means of acquiring authoritative information. Chauvel would therefore very much like to know whether our Government on the basis of information available to it from various sources shares Henry's views that a Sino-Japanese peace is imminent.

Any information which the Department feels can properly send me in this connection will be appreciated; anything which we can pass on to Chauvel will probably encourage the frank and communicative attitude which he has adopted toward the Embassy in the past few months as our various telegrams will show.

Almost simultaneously an earlier telegram was received here from Tokyo reporting Japanese insistence that the French accept without delay the Japanese terms of settlement in the Indochinese-Thailand dispute. Henry reported that this proposal came directly from the military; that the Japanese Foreign Office had apparently no knowledge of it "until the last moment" when a formal meeting of the mediation delegates was called. It was intimated thereat that the Japanese military are anxious for an immediate acceptance by both Thailand and France.

³ December 19, 1940, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 129.

⁴ For amplification of this telegraphic report, see Ambassador Grew's despatch No. 5444, March 13, vol. V, p. 109.

⁵ Jean Chauvel, head of the Far East section, French Foreign Office.

⁶ Henri Cosme.

The map of the proposed boundary settlement which Chauvel had hastily drawn showed that it involved the cession by Indochina to Thailand of all territory up to the Mekong, both in the kingdom of Luang-Prabang in the north and in the south not only in Laos but also that section of Cambodia from the eastern frontier to the Mekong river which lies north of a straight line running east to west through the parallel on which Sisophon is located. Henry reported that the Thai delegates were obviously disappointed at the way the Japanese had scaled down their "excessive territorial claims".

Chauvel went on to say that he has been at a loss for the past several days clearly to see the trend in the Far East. For some time, he said, Ambassador Henry had been reporting the possibility that the Japanese would make peace with Chiang Kai-shek. It may be, said Chauvel, that German pressure plus Russian pressure on Chiang Kai-shek in addition to a "favorable" Japanese offer of settlement may convince Chiang Kai-shek of the necessity of reversing his declared policy of continuing the fight until the European war is settled. The Russians, Chauvel went on, if they could get Japan embroiled in the south with us or the British would probably be willing to sign an agreement with the Japanese (whether they would keep it was in his opinion another question) and might even be willing to see Chiang Kai-shek make peace. Germany, he said, obviously is anxious that Japan be given a free hand for some aggression in the south.

A Sino-Japanese peace at this time in Chauvel's opinion would mean that "the game is up" as far as all European interests as well as American interests in the Far East are concerned. If such a peace is likely to be signed France will have to adjust her policy accordingly and save what little she can in Indochina. It would probably mean prompt acceptance of the Japanese mediation award (which we gather may be accepted anyway especially if Thailand accepts). Such a peace would likewise mean the possibility of the Japanese and Thailand dividing up the north of Indochina without fear of Chinese interference in that area. He lamented the existing situation which makes it impossible for the French to know what the British policies are in the Far East and whether there is any threat of a British invasion of Thailand through Burma to act as a deterrent on the pro-Japanese policies of Thailand.

The French have informed the Japanese that no reply may be expected until after Admiral Darlan's⁷ return from Paris Thursday night.

⁷ Adm. François Darlan, French Minister for Foreign Affairs and Vice President of the Council of Ministers (Vice Premier).

Ambassador likewise reported that Matsumiya [*Matsuoka?*] had given confidential assurances to Ambassador Grew that Japan had no thought of any aggressive move in the direction of Singapore and that similar confidential assurances had been given the British Ambassador at Tokyo. Ambassador appeared to accept these confidential assurances with considerable reservation.

LEAHY

793.94119/734 : Telegram

The Secretary of State to the Ambassador in France (Leahy)

WASHINGTON, February 21, 1941—noon.

160. Your 208, February 19, 6 p. m. The Counselor of the French Embassy⁸ called at the Department the morning of February 20 at his request and, on the basis of a telegram which the Embassy had received from the French Foreign Office, discussed with an officer of the Department the matter mentioned in the first paragraph of your telegram under reference. The Counselor did not state that his information was that Matsuoka would go to Nanking but that some highly placed Japanese would go. The officer of the Department replied that during the past few weeks we had received from various sources several reports to the general effect that certain Japanese were discussing or were interested in discussing the prospects of peace with certain Chinese. The officer of the Department commented further that while not undertaking to make predictions it was his individual opinion that present reports had no more significant basis than previous reports on this subject which had developed from time to time in the past.

HULL

711.94/2044

*The British Ambassador (Halifax) to the Secretary of State*⁹

[1.] The Japanese Ambassador on February 17th left with Mr. Butler in my temporary absence a personal message to him from Japanese Minister for Foreign Affairs of which the gist is as follows.

2. Minister for Foreign Affairs was surprised to learn of the undue concern of Secretary of State¹⁰ based no doubt on information from the British Embassy at Tokyo and other sources. There was no way of ascertaining what kind of information the British Government had

⁸ Jacques Dumaine.

⁹ Handed on February 24 by the British Minister (Butler) to the Adviser on Political Relations (Hornbeck).

¹⁰ Anthony Eden.

been receiving, but the Minister for Foreign Affairs would like to state that so far as he could see there were no grounds for alarming views on the situation in East Asia. More than once he had explained to the British Ambassador and even to the public, that one of the primary purposes of the tripartite pact was to limit the sphere of the European war by preventing involvement of other powers, and also to help to terminate it as quickly as possible. This was still the avowed aim of the Japanese Government; and constituted a fundamental basis of their policy. Of this the British Government might rest assured.

3. Mr. Matsuoka owed it to candour to say that he could not but be anxious about the movements of the British and the United States Governments in their attempt to expedite and impose warlike preparations in order to meet any supposed contingencies in the Pacific and South Seas. Press reports thereon from the United States and elsewhere were causing increasing misgivings in Japan with the consequence that it was contended in some circles that Japan should at once take measures to meet the worst eventuality in these regions. The concern felt by the Japanese was natural and if the United States Government could only be persuaded to restrict their activities in this respect to the Western Hemisphere, thereby easing Japanese anxiety, the situation would be very much mitigated.

4. The Minister for Foreign Affairs wished to make further observations in view of his former acquaintance with the Secretary of State at Geneva and of his belief that frank views would be of use at the present time. The uppermost thought in his mind had always been world peace and he sincerely hoped that both the China affair and the European war would soon end. He earnestly wished that the differences between the powers and organisation of a just and lasting peace might again be discussed by the powers at a round table conference and in this connection he desired to assure the Secretary of State that far from aspiring to control the destinies of, and to dominate, other peoples it was Japan's established policy to inaugurate an era of peace and plenty and mutual helpfulness in Greater East Asia by promoting the spirit of concord and conciliation. As repeatedly affirmed, Japan's motto was "no conquest, no oppression, no exploitation". He therefore strongly deprecated those biased reports designed to calumniate.

5. Minister for Foreign Affairs confessed his utter inability to see any good served by prolonging the war whatever the motive. Whatever the outcome and whoever the victor there was great danger of chaos and even of the downfall of modern civilisation and it needed statesmanship of a high order to meet this danger. He had not yet lost hope that such statesmanship would not be wanting in the British Empire.

6. Lastly the Minister for Foreign Affairs would like to make it clear that Japan, deeply concerned as she was for the restoration of an early peace, was fully prepared to act as a mediator or take any action calculated to restore normal conditions not only in Greater East Asia but anywhere the world over. He hoped the Secretary of State would agree that the grave responsibility of restoring peace and saving modern civilisation from impending collapse rested with the leading powers. Such responsibility could only be fulfilled by a wise and courageous statesman willing to display an accommodating and generous spirit in listening to other claims and contentions and it was hardly necessary to add that whatever Japan might do she would always be actuated by the consciousness of responsibility which she owed to humanity.

711.94/2034

*Memorandum by the Assistant Chief of the Division of Far Eastern Affairs (Ballantine)*¹¹

[WASHINGTON,] February 25, 1941.

In reviewing the record of the conversations which officers of the Department have had with Mr. Hashimoto, it is interesting to compare Ambassador Grew's reports of the purposes of Hashimoto's visit to the United States as represented to the Ambassador by Mr. Hashimoto and Mr. Toda with our observations on the subject. In the Embassy's telegram no. 1297, December 8, 1940,¹² Ambassador Grew reported that his informant (Mr. Toda) had replied that it was regarded of the highest importance for Hashimoto to come to the United States to sound out American opinion (on Japanese-American relations) at first hand and report accurately on his return to Japan. Mr. Hashimoto in his letter to Ambassador Grew explaining his purpose in coming to the United States stated: "I am anxious to sound out the views and opinions of high American statesmen in order that I may be able to obtain such materials as will be useful to determine the direction which the Japanese Government should follow in the future". Ambassador Grew adds that Hashimoto desires to see the President and the Secretary of State as well as prominent senators, editors, et cetera. Mr. Grew explained to Hashimoto's associate that it would be difficult for Hashimoto to be received by high American officials without the support of the Japanese Embassy at Washington. Mr. Grew expressed to the Department the opinion that some advantage might accrue if Hashimoto were to proceed to the United States

¹¹ Initialed by the Chief of the Division (Hamilton) and noted by the Secretary of State.

¹² *Foreign Relations*, 1940, vol. iv, p. 464.

without American official encouragement and were to obtain even a limited grasp of American personal opinion through unofficial contacts in our country.

In a previous telegram, Embassy's 1282, December 7, 9 a. m.,¹³ Mr. Grew stated: "He (Mr. Hashimoto) is said to have a plan or idea, not disclosed, which he believes would be immediately effective if adopted. I have a strong suspicion that this plan involves American intervention with the Chungking Government with a view to an early settlement of the hostilities in China which it is held would automatically bring about improved relations with the United States".

There is no evidence that Mr. Hashimoto during the course of his visit to this country made any serious effort to get in touch with leaders of American public opinion other than officials of the Department, nor is there any evidence that he or his associates made any extensive study of the American press. In fact, toward the close of their visit, Mr. Toda remarked that Mr. Hashimoto was impatient to return to Japan but that he (Toda) wondered whether it might not be advantageous for them to extend their stay in order to interview senators and other leaders of American opinion. Mr. Ballantine in reply suggested that if Mr. Hashimoto intended to do this care should be exercised lest undesirable publicity result. Mr. Ballantine also suggested that Mr. Hashimoto might find it useful to make a study of American press opinion on the subject of American-Japanese relations, if he had not already satisfied himself that he was adequately informed on American attitude.

Mr. Hashimoto's central purpose in visiting the United States was evidently, as suggested in the last sentence quoted above from Mr. Grew's telegram—to explore the possibility of persuading this Government to use its influence with the Chungking Government to seek peace with Japan and thus to enable Japan to emerge from the conflict with China with its prestige substantially intact. He argued that it would be difficult for Japan to decide to abandon its present course unless the United States should be willing to act along the lines suggested by him, as otherwise a change of course by Japan would be interpreted by China as weakness on Japan's part which would be taken advantage of by China to Japan's disadvantage. He also argued that unless the United States was prepared to make concessions to Japan his group would find it difficult, in the face of opposition by the pro-German group, to convince the Japanese Government that Japan's real interest lay in aligning itself with the United States and Great Britain rather than with the Axis powers.

Although Mr. Hashimoto was probably disappointed that officers of the Department could not discuss specific proposals with him in

¹³ *Foreign Relations*, 1940, vol. iv, p. 458.

the way he had hoped we would, it is believed that he was on the whole satisfied with the results of his visit to the United States and that he had become convinced that Japan's hope for the future lay in a policy of cooperating with the United States. There is no reason to doubt the sincerity of the statements that he made before taking leave of us that he intended upon his return to Japan to endeavor to persuade the Japanese Government to change its course and abandon a policy of aggression. He expressed his confidence that, as he had never been identified in Japan with the pro-Anglo-American group, he would have a better chance of success in that task than any person who had in the past been identified in Japan with that group. Whether he will succeed or not, of course, is doubtful, but it is to be hoped that the time and effort spent in discussing American principles and policies with him will be productive of good.

711.94/1973

The Assistant Commercial Attaché in Japan (Smith), on Leave, to the Secretary of State

VANCOUVER, February 25, 1941.

[Received February 27.]

SIR: I have the honor to invite the Department's attention to the arrival into the United States of a Mr. Tadao Wikawa, who is undoubtedly on a definite mission on behalf of his Government, and to certain information obtained from him during a voyage from Yokohama to Seattle.

A few hours prior to my departure from Tokyo on home leave, I learned of Mr. Wikawa's impending visit to the United States and undoubtedly the Embassy telegraphed the Department fully regarding his plans, as the visit of such an outstanding figure in Japanese politics could not fail to be of significance at this time. Briefly, Mr. Wikawa has served in both London and New York as the assistant to the Japanese Finance Commissioners at those posts; he has also held the position of Vice Minister of Finance in several Cabinets; he is the author of Japan's Foreign Exchange Control Law; and at present he holds the post of President of the Central Bank of Co-operative Societies (the second largest depository in Japan). Of further interest, Mr. Wikawa is apparently a sincere and ardent Christian. He is believed to be married to an American woman, and he has a daughter who is attending Columbia University. It is understood that he gave as his reason for coming to the United States, his desire to visit his daughter.

Mr. Wikawa inferred that he was the unofficial representative of a group of influential persons in Japan who desire to see an improve-

ment in Japanese-American relations. From subsequent remarks he made, it appears that he is, in some way, preparing for the visit of another individual, one Colonel Iwakuro,¹⁴ whom he described as being one of "the driving forces of the Army". He said definitely that the Colonel was the one individual in Japan who could exercise control over all elements in the Japanese Army and he more or less hinted that no definite action would be taken by the Army towards the execution of its Southward Expansion Policy in Southeastern Asia until the Colonel had an opportunity to visit Washington. Colonel Iwakuro is scheduled to leave Japan during the early part of March and Mr. Wikawa expects to meet him in San Francisco on March 20, and accompany him to Washington. It is understood that the Colonel was originally slated to be designated as Assistant Military Attaché at the Japanese Embassy, but that he is now merely on a six months detail in the United States in a non-diplomatic capacity. The Colonel speaks no English; only French and German aside from Japanese.

I was unable to learn any details concerning Colonel Iwakuro's plans except that he will probably bring definite proposals from the Japanese army for a settlement of Japanese-American relations. As far as I could gather, both Wikawa and Iwakuro will work with Admiral Nomura and the mission of both men appears to have the sanction and blessing of the Japanese Government. Mr. Wikawa appeared extremely optimistic over the possibility of settling all differences with the United States as he has apparently been given encouragement by some one or some group in this country. He refused to name his American connections but said that "the present Administration has its Colonel House".¹⁵ He did say, however, that if Colonel Iwakuro's mission failed that there was no hope that any amicable settlement could be reached between the two countries.

I obtained the impression that Mr. Wikawa's mission has been prompted by the Agrarian Party or farm group in Japan. He stressed the point that this group which is directed by Count Arima is one of the strongest forces in Japan and one which has not, heretofore, taken any definite action to improve Japan's relations with third powers. He said that the Germans were aware of the importance of the farm group and that they were continually endeavoring to contact the leaders with a view to reaching an understanding with them. According to Mr. Wikawa, the British distributed certain propaganda to them from time to time, while he claimed that the Americans had ignored them entirely. He also said that steps had been taken by the farm group to inform the soldiers of the Japanese

¹⁴ Col. Hideo Iwakuro, of the Japanese Army General Staff.

¹⁵ Col. Edward M. House, personal representative of President Wilson on visits to Europe.

Army of the efforts being made to improve relations with the United States, and he expressed the view that the men of the Army would not be led in any action against American interests unless the word was passed that there was no further hope of effecting a settlement of the present differences.

It is probable that the Department is fully aware of Mr. Wikawa's mission but I am submitting this information by airmail from Vancouver in the hope that it might be of some interest.

I am arriving in Washington on March 1, and shall report to the Department immediately.

Respectfully yours,

DONALD W. SMITH

711.94/1971 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, February 27, 1941—10 p. m.

[Received February 27—8:35 a. m.]

330. 1. Colonel Iwakuro has been assigned to the Japanese Embassy at Washington as "Special Adviser" to the Japanese Ambassador. He is to arrive in San Francisco on or about March 20 on the *Tatsuta Maru*. I recommend that arrangements be made to expedite his entry and to prevent the occurrence of anything untoward. He is to be accompanied by Colonel Shinjo, who will proceed to New York.

2. Colonel Iwakuro, according to a reliable source, is one of the most important leaders of the young officers' group and has the complete confidence of the Minister of War.¹⁶ He paid me a courtesy call this morning and later had a prolonged conversation with members of my staff, who spoke to him very frankly along the lines of Embassy's 230, February 14, 8 p. m. He said that he also did not believe that American-Japanese problems could be permanently resolved at this time but that he hoped to contribute toward maintaining an equilibrium until prospects appeared of a basic solution being found.

GREW

711.94/1972 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, February 27, 1941—midnight.

[Received February 27—12:10 p. m.]

334. Embassy's 230, February 14, 8 p. m. In the course of my conversation yesterday with the Minister for Foreign Affairs I said

¹⁶ Gen. Hideki Tojo.

that I wished him to know that everything Dooman had said to the Vice Minister for Foreign Affairs on February 14 had my entire concurrence and approval. As Mr. Matsuoka had received only an oral report of the conversation from Mr. Ohashi I read to him the entire telegram under reference. Somewhat to my surprise he said that he entirely agreed with what Dooman had said. At the Minister's request I am sending him today for his personal use a copy of the memorandum of conversation.

GREW

711.94/19738

*The Postmaster General (Walker) to President Roosevelt*¹⁷

[WASHINGTON,] February 28, 1941.

A Plenipotentiary Representative of the Japanese Government is here in Washington. He is empowered to negotiate concrete terms for a settlement of all outstanding Far Eastern questions vis-à-vis the United States.

For such a settlement, the Japanese are prepared:

- (a) To invite the President of the United States personally to initiate mediation of the China-Japan conflict;
- (b) To nullify the Japanese participation in the Axis alliance, by a refusal to send any supplies to Germany and by the assumption of an obligation to keep the Germans out of the Far East, by military force, if necessary;
- (c) To freeze the Pacific nations *in statu quo*, by the recognition of autonomous governments comparable to the political units in the Americas;
- (d) To pledge, formally, their government against any further political or military aggression in the Far East;
- (e) By an economic-financial agreement to coordinate action that will assure continuance of amicable relations.

It is suggested that a representative of the President be appointed immediately, to work out, privately, with the Japanese Plenipotentiary, a draft of agreement. The Japanese Government would then indicate its official approval of the terms. Whereupon the President of the United States could call a public conference (preferably at Tokyo) to ratify this agreement which in fact had really been consummated previously.

¹⁷ Maj. Gen. Edwin M. Watson, Secretary to President Roosevelt, wrote him on February 28 as follows: "Frank Walker brought this in today and he wished you to see it. He is now in my office as he thought perhaps you would want to speak to him—he has planned to leave town this afternoon at 2:00 p. m." Transmitted to the Secretary of State and Under Secretary of State through the Adviser on Political Relations (Hornbeck).

711.94/3-141

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] March 1, 1941.

MR. SECRETARY: It seems to me that, were I in your place or that of the President, the first thing that I would ask of Mr. F[rank] W[alker] would be:

1. Who is this unnamed "Plenipotentiary Representative"?

2. If the Japanese Government really desires at this time to negotiate "for a settlement of all outstanding Far Eastern questions vis-à-vis the United States," that Government could give this Government concrete evidence of that Government's sincerity by itself nullifying the Japanese participation in the Axis alliance and itself desisting and abstaining from "further political or military aggression in the Far East." If the Japanese Government were to do either or both of these things, there might be warrant in due course for the American Government to enter into negotiation with properly accredited representatives of the Japanese Government for a settlement of outstanding questions between Japan and the United States. Then, when questions between these two countries have been restored to a basis of reasonably assured amity, the question of the taking by the President of the United States of an initiative toward mediating the China-Japan conflict would be susceptible of a sympathetic consideration.

3. In my opinion, the fundamental weakness of the proposal made in this memorandum arises out of and revolves around the fact that the proposers do not take realistic account of Japan's present policies and current practices nor of the policies and objectives and practices of the United States. The procedure which they propose is not adapted to the facts of the situation.

711.94/1968 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, March 1, 1941—9 p. m.

143. There is repeated for your information a telegram from Moscow dated February 20 reading as follows:

"The monthly magazine *Mirovoe Khozyaistvo i Mirovaya Politika* in its issue for December 1940 which has just been received publishes an article entitled 'a new stage in Japanese-American contradictions' which comments upon Japan's endeavor to establish hegemony in the Far East and states that stubborn resistance to Japanese aspirations in this area is being encountered primarily from the United States. The article concludes that war between the United States and Japan is inevitable."

Department offers for your consideration observations on the foregoing Soviet comment as follows:

It is not to be expected that a Soviet organ of opinion would be permitted to express opinions of a character which would serve to expose directly the objectives of the Soviet Government in its policy toward Japan. However, the Soviet comment under reference although confined to a discussion of Japanese-American relations is not without significance as a hint of Soviet hopes, and it can hardly be doubted that in the event the situation envisaged should actually materialize the Soviet Government would seek to take full advantage thereof to strengthen the Soviet position vis-à-vis Japan. It is therefore difficult to see how Japanese statesmen could calculate that any political agreement which Japan might conclude with the Soviet Union at this time would be effective in affording Japan an assurance of substantial security from a menace to her flank should Japan become involved in a conflict with western powers as a result of an advance by Japan southwards.

The Department would appreciate receiving in due course your comments upon the considerations which seem to be influencing the Japanese Government in the development of its policy toward the Soviet Union. It is suggested that it may be useful for you in your discretion to sound out Japanese leaders with whom you come into contact along the lines of the foregoing observations in an endeavor to ascertain whether there is any substantial feeling of confidence on their part in the future stability of Japanese relations with the Soviet Union.

HULL

711.94/1982 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, March 3, 1941—9 p. m.

146. In the course of a conversation on February 24 with an officer of the Department, Mr. Butler of the British Embassy inquired whether there was anything of interest which might be said in regard to the "mission" to this country of the persons¹⁸ referred to in the Department's 129, February 25, 7 p. m.¹⁹ Mr. Butler was informed in reply that it was not our understanding that the persons referred to were on a "mission" in the sense of having been specially sponsored by any person or group; that a number of the officers of the Department, while declining to be drawn into a discussion of certain matters

¹⁸ Tetsuma Hashimoto and his associate, Teikichi Toda.

¹⁹ Not printed.

of high policy concerning which their views were sought, had talked with the Japanese concerned unofficially and informally about American viewpoints on some of the fundamental issues in Far Eastern problems; and that it was believed that the persons referred to would leave this country with a clear impression that public opinion in the United States does not lean toward pursuit in regard to the Far East of any policy of "appeasement" or abandonment.

Memoranda of conversations ²⁰ have gone forward to you by pouch.

HULL

711.94/3-441

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State ²¹

1. Who is this "Plenipotentiary Representative of the Japanese Government"? (A Japanese? His name? What group or faction within the Japanese Government sponsors him?)

2. Is he here with the knowledge and with the approval of the Japanese Ambassador?

3. What is the *issue* between Japan and China in regard to which it is suggested that the United States "mediate"? [The issue is not legal, not economic; it is political: the question is whether the Chinese or the Japanese are to have control in China and whether force or law is to determine "right".] ²²

4. Does this differ substantially from the issue between Germany and Great Britain? [Very little.]

5. Would it be wise for the United States to step in as a mediator in either of those conflicts?

6. Would it be practicable for the United States to negotiate with Japan an agreement whereby the Japanese would undertake to the United States a desertion and betrayal by Japan's allies? [Effective in Japan? Effect in Germany?]

7. What is the issue between the United States and Japan? [Legitimate rights and orderly processes versus force and conquest.]

8. Has not this issue been created by Japan's unilateral actions, and not by those of the United States? Would it not be resolved by a return by Japan on her own initiative, without any agreement with anybody, to principles of lawful and orderly procedure?

²⁰ For memorandum of February 25, see p. 49; others not printed.

²¹ Submitted to the Secretary of State on March 4 with following notation: "Herewith a suggestion of a few questions which might be worth considering in connection with—and which might even be asked during—your impending conversation set for 4 o'clock this afternoon."

²² Brackets throughout this document appear in the file copy.

9. Where, in Japan today, does effective authority lie? [It lies with the leaders within the "military element", military element being a broad and comprehensive term.]

10. Must not any agreement made with Japan today be an agreement satisfactory to that leadership and can any agreement be concluded at this time with that leadership which would be acceptable to the American people and be ratified by the United States Senate?

711.94/1984 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, March 5, 1941—11 p. m.

[Received March 6—3:05 a. m.]

366. Department's 143, March 1, 9 p. m.

1. On numerous occasions I have commented to important Japanese contacts along the lines presented in the third paragraph of the Department's telegram under reference and the reaction usually has conformed wholly or in part to a definite pattern as follows:

(a) Japan's foreign policies have been recently oriented primarily on the United States and Russia, as war with either of these powers would be a vital matter to Japan. She could not possibly hope to cope with both at the same time, and it is, therefore, axiomatic that when Japan's relations with either power deteriorate she seeks to improve her relations with the other.

(b) Since the conclusion of the Tripartite Pact Japan's relations with the United States have progressively and dangerously deteriorated with little prospect of improvement. Postulating as the Japanese do that there can be no turning back from the China adventure, the Japanese people as a whole are entirely hospitable to suggestions that the situation which might "involve Japan in a conflict with Western Powers as a result of an advance by Japan southwards" is being compelled by the need for security against further drastic restrictions by the United States on the sale to Japan of essential commodities which might lead to the running down of the Japanese military machine in China. A moderate Japanese view was expressed in a current issue of a leading magazine by a friendly Japanese educated in the United States, translated as follows:

"The unfortunate fact is that substantial quantities of scrap metal and other war materials cannot now be imported from the United States. Unable to understand Japan's true motives and being strangely opposed to Japan's expansion on the Asiatic continent the United States is progressively strengthening her embargoes on the sale to Japan of essential commodities. This attitude automatically drives Japan southward in search of security, a trend which is paralleling the progressively increasing economic pressure on Japan of the United States. The latter for

her part is greatly concerned over the safety of the essential lines of communication in the southwest Pacific and it is perhaps only natural that the United States should be sensitive to the menace (by Japan) to her own security."

(c) In view of the present state of relations with the United States it follows that Japan would seek an improvement in her relations with the Soviet Union irrespective of the degree of confidence which could be placed in any such improvement. Moreover, there has resulted a certain relaxation in Soviet-Japanese relations and the danger of war with Russia is regarded as having been substantially reduced: On the one hand by the present ascendancy in Japan of the so-called southern school, which seeks expansion toward the South Seas, and on the other hand by the immobilization of Russia, by reason of her various preoccupations on western frontier, especially for her fear of future German intentions. Moreover, it seems logical to the Japanese that Russia, at an opportune moment, will attempt to apply in the East the policy which she has pursued in the West, that is to facilitate, if not to foment, a war calculated to result in the elimination of a power whose continental policy constitutes a potential menace to the Soviet Union in the Far East.

2. In assessing the advantages which Japan presumably expects to obtain from an agreement with Russia it should be emphasized, under the present circumstances, that despite the wording of Article V of the Tripartite Pact, Japan already enjoys a certain degree of assurance against a Russian attack in the event of involvement in hostilities with the United States or Great Britain since it is unlikely that Germany, regardless of the Soviet-German Pact of non-aggression,²³ would be disposed to permit Russia to profit from Japan's difficulties with those countries and thereby defeat the main purpose, from the German point of view, of the inclusion of Japan in the Axis, which is to contain the United States in the Pacific. Consequently it is doubtful if any specific agreement with the Soviet Union would contribute directly in any important degree to additional Japanese security on the Russian flank. The principal advantage to Japan of some form of political agreement with the Soviet Union would appear to relate primarily to Japan's hoped effect on the issue in China on which Japan's relations with the United States hinge. Even if a non-aggression treaty with Russia would afford Japan little additional security in itself on the Russian flank—and I fail to find any informed Japanese so ingenuous as to suppose that it would—the possibility of inducing Russia to forego aid to China would of itself be a prize with [worth?] seeking. Indeed, irrespective of the material results of China's being deprived of Russian supplies the Japanese hope that the

²³ Signed at Moscow, August 23, 1939, Department of State, *Nazi-Soviet Relations, 1939-1941*, p. 76.

very fact of a Japanese-Soviet agreement would give powerful impetus to the dissension in China between Chiang Kai-shek and the Communists. Thus the principal contribution which the proposed non-aggression treaty would make toward Japanese security against Russia would be to promote an end of the China conflict.

3. That the protracted negotiations between Russia and Japan have still not brought forth an agreement is attributed here to the fact that the military situation in Europe might well develop, specifically by failure of the expected German offensive against Britain, in such manner as to dictate a radical revision of both Japanese and Russian policies. It is thought here that Russia is less disposed to modify her conditions for an agreement with Japan at the present time than she might be at some future time of greater tension in the Far East when a Soviet-Japanese agreement might be calculated to remove the last obstacle on the way of a Japanese-American conflict. On the other hand Japan, counting now on the influence of Germany on Russia, is unwilling to pay as high a price for Russian passiveness as she presumably would be if there occurred a substantial deterioration of German prospects of victory. The Japanese affect to believe that they have something to offer Russia. They argue that as matters now stand because of the Russo-German non-aggression pact, Article V of the Three Power Alliance is a juridical safeguard only against Germany's coming to the help of Japan in the event of Russo-Japanese war, and that the proposed Russo-Japanese non-aggression pact would if concluded give Russia a similar safeguard against Japanese participation in any Russo-German war. It is a consideration to which the Japanese with their love of formalism attach some importance, but it is difficult to believe that the Russians, as pragmatic as they have proved themselves to be, will be prepared at all times to risk it as a bargaining point.

4. Aside from the primary objective of creating desired repercussions in China, Japan's efforts to improve her relations with the Soviet Union would not appear to be based on the positive and direct advantages which would be expected to accrue to Japan therefrom but rather during the last corollary of Japan's association with the Axis powers. The very logic of this association at the present time when there is no prospect of adjustment of relations with the United States implies a southward drive on the part of the Japanese which in turn dictates the establishment of secure relations with the Soviet Union under the aegis of and guaranteed by Japan's Axis partners.

Sent to the Department. Repeated to Moscow.

GREW

711.94/2005,4

The Postmaster General (Walker) to the Secretary of State

[WASHINGTON,] March 6, 1941.

DEAR MR. SECRETARY: Attached you will find, for your information, copy of memorandum presented to me last evening after my visit with you.

I am told that these are the matters they would discuss and reach agreement upon.

Sincerely yours,

FRANK

[Enclosure]

1. Political and territorial expansion in the Far East.
2. Economic expansion in the Far East.
3. Settlement of China-Japan war—peace proposal by the President.
4. Application of Open Door in China and Manchukuo.
5. No discrimination against Japanese immigration in Far Eastern region (to be defined). Quota system in the U. S.
6. Bases of a trade treaty with the United States. Low tariffs for non-competitive products. (No transfer of imports to Germany.)
7. Financial arrangement through use of gold for rehabilitation of Chinese and Japanese currency—with interest payments to the U. S. and without actual transfer of gold by the U. S.
8. The Philippines.
9. Political sterilization of Far Eastern countries so as to prevent future European expansion. (cp. Monroe Doctrine.) Organization of a Pan-Asian defence against Communism. (cp. Pan American Defence.)
10. A statement of principles governing the future relations of both nations and a mutual pledge of peace that would be a satisfactory substitute for the Axis Alliance.
11. Use of Japanese shipping (probably half of their present merchant marine) for allied trade east of Alexandria and throughout Indian and Pacific Oceans. Stoppage of present help to Germany.*
12. Conference at Honolulu to ratify agreement after it has been formally, though secretly, approved by both governments.
- (13. Opening of air-mail connection with Japan.)

* Mutual agreement to withhold supplies from any country that is at war with, or menacing, either the United States or Japan. [Footnote in the original.]

711.94/3-741

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] March 7, 1941.

MR. SECRETARY: Mr. Hamilton and I incline to the view that, in the conversation which you are to have with Admiral Nomura tomorrow, the procedure probably most practicable in service of the objectives which we have discussed with you would be for you to adopt and maintain the rôle of listener and to draw the Ambassador out while avoiding as far as possible any indication of perplexity, uneasiness, apprehension or eagerness on the part of your Government and any disclosure of your position, favorable or unfavorable, regarding any concrete proposals or suggestions for action which the Ambassador may put forward.

When Admiral Nomura talked with you and the President, the President suggested that Admiral Nomura come to you and that you and Nomura explore the situation as regards relations between the United States and Japan. You might perhaps care to review before tomorrow the material which FE and PA/H^{23a} prepared some four weeks ago by way of background for a conversation with the Ambassador, consisting of two memoranda, one on the program of the United States and the other on the program of Japan—which memoranda are attached hereunder²⁴—some of the ideas in which might be useful if the Ambassador directs the conversation toward the existing situation, fundamental problems, et cetera.

In case the Ambassador suggests that plans be made for a negotiation and/or suggests that persons be designated to explore jointly the question of a possible negotiation and/or offers an outline of possible subjects of negotiation, it is believed that you would need to be guided by what may have been said before that point is reached and by the indications which you will have had of Nomura's thought and intention; but it is surmised that you will find it warrantable and probably advisable simply to say that you will give the matter sympathetic consideration.

Mr. Hamilton and I continue of the opinion that the Japanese leaders are not at this time prepared to embark immediately upon a new and extensive move southward. They have not yet made certain readjustments of their position in China; the situation in Indochina has not yet reached an advanced stage of consolidation; relations between Japan and Russia are still full of question marks; it is not yet

^{23a} Division of Far Eastern Affairs and Adviser on Political Relations (Hornbeck), respectively.

²⁴ Not printed.

clear what Germany's next moves are to be; the battle of England has not reached a climax; Matsuoka may or may not proceed to Europe; the German Ambassador to Japan²⁵ is "perched" for a trip to Germany with a round-trip ticket; Germany and Japan are not fully sure of each other; the Japanese Embassy's unofficial associates are just beginning new explorations in this country; approaches are being made to the American Government on Japanese initiative by unofficial agents or go-betweens; et cetera.

Our immediate problems are, it seems to us, that of (1) keeping the Japanese in a state of hoping and yet having to guess and (2) finding out all that we possibly can regarding their thoughts and their actual or possible intentions.

711.94/2005₄

The Postmaster General (Walker) to the Secretary of State

[NEW YORK,] March 7, 1941.

Memorandum:

a. As proof of the authority of Mr. Wikawa has been given in an open cable sent Wednesday night²⁶ at 8:15 P. M. from RCA Washington directly to Prince Konoye;

b. As it now appears certain that Prince Konoye, the Privy Council, the Army and Navy leaders and Baron Hiranuma have agreed with the Emperor to a conditional reversal of policy;

c. As, if this decision becomes known before any real progress has been made some of these men may be assassinated as "traitors" and their contemplated agreement with the United States nullified;

d. As the principal Japanese authorities have confidence in President Roosevelt and in Mr. Hull personally but have no confidence in their own foreign office, the foreign minister of which they plan to displace if agreement with the United States is reached;

e. As the Inner Cabinet group with the Army and Navy leaders decided last Sunday night on a formula for relinquishing active participation in the Axis alliance;

f. As neither this central fact nor any other major items of policy have been communicated to Admiral Nomura or his Minister;²⁷

g. As the Japanese Embassy (but not the Army) is totally unaware of the agenda agreed to in our memorandum;

h. As Admiral Nomura is also unaware that the Japanese intention "to shake hands with the United States" has been within the last few days communicated to Hitler—

²⁵ Maj. Gen. Eugen Ott.

²⁶ March 5.

²⁷ Kaname Wakasugi.

It would be imperilling, as well as useless, to project, at this time, progressive diplomatic conversations with members of the Japanese Embassy.

It would be more in accord with Mr. Hull's desire to prevent any effort toward a peace offensive and it would expedite substantial action within ten days or two weeks—

if, when Admiral Nomura, acting in his official capacity states on Saturday²⁸ that his government "would be pleased to consider actively the possibility of the reassumption of traditional cordial relations with the United States,["] Mr. Hull were simply, and cautiously, to indicate that the United States would entertain such a prospect.

Mr. Hull could then suggest that the non-committal conversations begun in Tokyo by private individuals could be continued while he and Admiral Nomura meanwhile would think over the agenda for their next official meeting.

Points:

1. Mr. Hull cannot reveal that he already knows the proposed agenda; that he knows the decision on the Axis alliance or any other specific circumstance communicated by ourselves;

2. Mr. Hull need say nothing to Admiral Nomura concerning the designation of some individual to carry out the secret private conversations. Such a person could appear, so far as the Japanese are concerned, as an acquaintance of ours, who is assisting in the preparation of suggestions to be submitted for the consideration of the United States Government.

3. While Mr. Hull should be completely and progressively informed of every step in these private discussions, the Japanese Embassy during the next ten days should be informed of nothing.

(Mr. Wakasugi, the Japanese Minister is "doubtful". He should not appear on Saturday with Admiral Nomura.)

711.94/2005₁

*Draft Statement Prepared for the Secretary of State*²⁹

On Saturday, March 8, the Japanese Ambassador called on me and we had a conversation of a general character. During the conversation

²⁸ For memorandum of March 8 by the Secretary of State, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 389.

²⁹ The Chief of the Division of Far Eastern Affairs (Hamilton) on March 17 wrote as follows:

"Pursuant to the Secretary's request that Mr. Hornbeck and I give consideration to the question of what the Secretary should next say on this matter to the Postmaster General, I prepared the attached statement as an indication of the substance of what the Secretary might say orally. I handed this statement to the Secretary on March 10 (?), at which time the Secretary informed

I referred to the fact that I understood that a number of his compatriots were desirous of making contributions to better understanding between our two Governments; that I deeply appreciate the purposes of such responsible and fine individuals; and that on official questions and problems between the American and Japanese Governments I can deal only with and through the duly authorized Ambassador of Japan. In other words, I could not take up with individual citizens of a foreign country matters pending between their Government and my Government unless their Ambassador assumed a responsibility to that end.

During the conversation I told the Japanese Ambassador that I hoped he had in mind something definite which might offer a practical approach to consideration of the course and attitude of the Japanese Government. The Ambassador in reply said that his Government would be very glad to effect peace arrangements with China, but when I inquired as to details the Ambassador merely indicated that his adviser, Colonel Iwakuro, was on his way here and that he had details in regard to the whole Chinese-Japanese situation.

In the light of the foregoing, the Ambassador's compatriots may wish to await the arrival here of Colonel Iwakuro. If they wish otherwise, I will be ready to consider, in case the Japanese Ambassador should introduce his compatriots to me either in person or by written communication, officially or privately as the Ambassador might prefer, talking with them myself or to arrange for someone in the Department of State or someone outside the Department of State to talk with them, all this in order that they might have full opportunity to present their views.

I would understand of course that any action taken by the Japanese Ambassador to this end would be, as was our conversation on Saturday, on the basis of an equal and joint initiative of himself and myself.

711.94/1987 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, March 11, 1941—7 p. m.

163. On March 8 the Japanese Ambassador called on me at my apartment on the basis of a joint and equal initiative on his and my

me that the Postmaster General had told him that the Japanese with regard to whom the Postmaster General had spoken had been in touch with the Japanese Ambassador following his talk of March 8 with the Secretary and that the Japanese seemed satisfied with regard to the conversation of March 8.

"I then commented to the Secretary that in these circumstances there was probably no need for the Secretary to say anything further at the moment to the Postmaster General. The attached draft was, however, left with the Secretary for his perusal."

part growing out of his talk with the President at the time he presented his credentials.

A chance remark offered occasion for me to refer to this Government's program of a liberal commercial policy and the need for its adoption by all important nations, and to review the course of extreme nationalism during the post-war period and the disastrous results thereof. I said that we were struggling to get forty nations behind this movement based on equality of treatment and equality of access to raw materials so that all forty nations might then turn to countries like Germany and Italy and assure them that they would be welcomed into this program of commercial opportunity and equality. I said that, unfortunately, this sound healthy movement was interrupted by military movements and the program of conquest by force which seemed to block for the time being the movement for peaceful commerce and increased consumption and employment throughout most of the world.

I told the Ambassador that I was glad to have him come in in the hope that he might have something definite in mind which would offer a practical approach and consideration of the course and attitude of his Government.

The Ambassador expressed interest in and wholehearted approval of what I had said about attempts to organize the world on a liberal commercial basis. He said that with very few exceptions the people of Japan were averse to getting into war with the United States; that the Prime Minister was not one of the extremists; that his Government would like to effect peace arrangements with China and hoped that terms might soon be developed which would include their puppet regime and Chiang Kai-shek as well in arrangements which would be on the basis of equality to all nations. When I inquired as to further details of the proposed Chinese-Japanese peace, the Ambassador made no specific comment but said that his adviser, Colonel Iwakuro, was on his way here and that Colonel Iwakuro had intimate details of the whole Chinese-Japanese situation.

The Ambassador commented that it would be almost unthinkable for our two countries to fight each other on account of the destructive effects that would inevitably result. In this I concurred. I then asked whether the military groups in control of his Government could possibly expect important nations like the United States to sit absolutely quiet while two or three nations organized military and naval forces and set out to conquer the balance of the earth. The Ambassador sought to minimize the idea that such military conquest was really the purpose of his Government. I referred to the terms of the tripartite agreement and the public declarations of Hitler and Matsuoka and other high authorities in Japan to the effect that their countries under the tripartite arrangement were out by military force

to establish a new order for the whole world. I said that the American people who had for many years been complacent with regard to dangerous international developments had now become very thoroughly aroused to what they regarded as a matter of most serious concern in relation to military expansionist movements by Japan and Germany. I said that these apprehensions and this tremendous concern would of course remain as long as Hitler continued his avowed course of unlimited conquest and as long as the Japanese army and navy increased their occupation by force of other and distant areas on both land and sea.

I spoke of the necessity for acts and utterances by Japan which would make it clear that Japan in good faith did not intend to pursue a course of expansion and conquest by force. The Ambassador did not express disagreement. I said that we would of course get nowhere if the military group should say that they were not expanding in a military way, as they had often said in China, and should at the same time go forward with their military expansionist plans.

I asked the Ambassador whether he thought Japan would attack Singapore or the Netherlands East Indies. To this the Ambassador indicated that he did not believe that there would be an attack but he said that, if embargoes by this country continued to press his Government and the military group in control, they might feel forced to proceed further in a naval or military way. I said that this question could not arise with any reason or warrant in as much as the responsibility and initiative with regard to military conquest and departure by Japan from laws and treaties and other basic rules of friendly relations rested entirely upon the Japanese Government. I said that none of the countries engaged in military conquest had pretended seriously to charge the United States with any action of omission or commission in relation to the present movement of world conquest by some three nations, including Japan.

I told the Ambassador that I came from the President who sent his regards and that the President would be glad at any time to talk further with the Ambassador. The Ambassador said that he might call on the President the next time and that he would hope to continue these conversations. Several times I asked whether he wished to follow the President's suggestion of talking over the past relations between our two Governments and the questions which have arisen which call for settlement by mutual agreement. The Ambassador indicated that he was favorably disposed but was not specific as to time or as to officials with whom he might talk.

During the conversation I reminded the Ambassador that few nations had ever had more mutually profitable and genuinely friendly relations than our two countries had had for two generations.

The Ambassador said that doors of trade had been closed against Japan by other countries, including Indochina, and that Japan had consequently felt obliged to take steps to improve the economic position of her people. I replied by reminding the Ambassador that during the twenty years of the post-war period under the doctrine of extreme nationalism all nations had shut their doors to a large extent against each other; that Japan was not an exception; and that it would be an amazing thing to abandon the whole program of economic rehabilitation on peaceful lines and under the principle of equality and to turn to military force and conquest as a substitute.

I pointed out that conquest of the world by Germany and by Japan with the methods of government which were being applied would result in setting back not only the world in general but the conquering countries themselves to very low levels of existence and that the conquering countries themselves would be the losers to a tremendous extent.

In reply to inquiry the Ambassador said that he did not believe the Japanese Foreign Minister was going to Berlin.

During the conversation I emphasized to the Ambassador that the President and others in the Administration believe that the British will beyond any reasonable doubt be able successfully to resist Hitler.

When referring to Japan's activities and utterances, I said that the United States and most other countries practiced only policies of peaceful international relations; that at times these policies were proclaimed, such as our good neighbor policy, with special reference to Pan America; that the acts and programs adopted by the twenty-one American nations had been made universal in their application so that Japan and all other nations receive the same equal opportunities for trade and commerce generally throughout the Americas that each of the American nations receives itself. I mentioned the striking contrast to this presented by the new order in greater East Asia which was believed to be purely a program of military aggression with arbitrary policies of military, political, and economic domination.

With reference to the question of Japan's halting its program of aggression in order to engage in discussions with this Government, the Ambassador made no definite promise as to what his Government would do. I definitely brought to the Ambassador's attention the question of the attitude of the Japanese Government toward the tripartite agreement in the future but the Ambassador did not indicate what the attitude of his Government would be.

HULL

894.00/1009 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

[Extracts]

Тоkyo, March 11, 1941—8 p. m.

[Received March 11—3:12 p. m.]

390. 1. There are increasing indications that a reorganization of the Cabinet is under discussion in high quarters. . . .

6. I now attempt no assessment of the effects of these trends and possible changes on foreign problems. I would certainly not expect to see any marked modification of Japan's objectives nor indeed of her outward manifestations of attitude, but recent developments here together with available indices of future trends, some of which have arisen from American military preparations, point in the main toward decrease of the will further to aggravate Japan's international difficulties and toward an increase of caution.

GREW

711.94/2005†

*The Postmaster General (Walker) to the Secretary of State*³⁰

Memo

1. We have already begun the preparation of the draft agreement.

2. The Japanese representative is keeping in constant touch with Prince Konoye in private code. But at my request he sent on Sunday, March 9th, at 8:00 P. M., from Western Union, Commodore Hotel, a cable direct to the Premier Konoye, advising that it was most indiscreet for the Japanese Embassy to carry on conversations with Roy Howard.³¹ Yesterday he sent a long cable, in code, explaining the reasons. He also wrote the Washington Japanese Ambassador strongly criticizing his Embassy's indiscretion.

3. Mr. Wikawa is desirous that his Government will not take any further steps until after his consultation with Col. Iwakuro who is arriving at San Francisco about March 20th or 21st.

³⁰ Written notation at top of document: "N. B. Mr. Wikawa has read, and agreed to, this memo with the stipulation that it must remain *absolutely confidential* to yourself and the *two other* persons thus far concerned." Initialed apparently by Father James M. Drought, transmitted to Mr. Walker for the Secretary of State and President Roosevelt, and "Reached SKH[ornbeck] on III-15-'41."

³¹ President of Scripps-Howard newspapers.

4. Mr. Wikawa has suggested to Prince Konoye that he himself should open the Honolulu Conference in the event that President Roosevelt would agree to do likewise.

5. The journey of Foreign Minister Matsuoka is interpreted as a maneuver (1) to keep the German door open and (2) to get Matsuoka out of the way so Prince Konoye himself may conveniently exercise more direct control should negotiations with the United States take place.

6. The Japanese delegates to the Honolulu Conference have been considered tentatively as Prince Konoye, Baron Wak[a]tsuki (Advisor to the Throne, twice Premier, Elder Statesman); Baron Goh; Baron Hiranuma, General Muto or Iwakuro for the Army, Admiral Oka for the Navy—and four others to total ten delegates, not counting experts, clerks, etc.

7. As there has been a “leak” in Japan of the Government’s desire to negotiate with the United States—“We must anticipate sharp and drastic opposition from the fifth columnists in Japan.” (Words of Admiral Nomura.)

8. Col. Iwakuro has cabled, through a friend before sailing on the *Tatsuta Maru*, “Don’t worry. Bringing detailed instructions Axis formula.”

9. It would be most helpful if all Port Authorities and Airline personnel at San Francisco could be instructed to grant great courtesy to Col. Takao Iwakuro of the War Department in Japan. N. B. (He does not speak English.) Mr. Wikawa will fly from here to San Francisco to meet Col. Iwakuro and discuss with him the preliminary draft that will have been prepared here meanwhile. (The Japanese are much impressed by courteous reception, etc.)

P. S. (1) By arrangement with the hotel manager of The Berkshire, 21 East 52nd Street, New York, I, and the Japanese representative, can be reached only by phone number and not by name. Phone—Plaza 3-5800; Room 1812.

P. S. (2) Has anyone considered Mr. Joseph Kennedy²² as “consultant” particularly for questions affecting the use of Japanese shipping?

P. S. (3) I shall keep you informed by typed memo most every day.

²² Former Ambassador in the United Kingdom and former Chairman of the United States Maritime Commission.

711.94/2005.7

*The Postmaster General (Walker) to the Secretary of State*³³

[NEW YORK,] March 13, 1941.

Memo:

1.—Judging from recent coded-cable communications from Tokyo, we are justified in having increasing confidence that agreement with Japan can be reached.

2.—It is considered vitally important that during the next few weeks no Lend-Lease allocation against Japan be made public.

3.—Mr. Wikawa has advised Prince Konoye to instruct the Japanese Embassy at Washington to request no further official interviews pending advice from here. Mr. Wakasugi, the Japanese Minister at Washington, seems to be talking too much.

4.—Germans. It is thought that the Germans

- (1) will threaten the Japanese by instigating the Russians (a) to resume direct help to Chiang Kai-shek, just as they are now helping the Chinese communist movement; (b) to create military diversions on the Siberian Border, and
- (2) through the fifth column in Japan, will carry out some challenging gesture against the United States.

5.—Mr. Kurusu (recent Ambassador to Germany—now in New York enroute to Japan) states that the Germans are not only paying out great sums in graft to certain Japanese but also subsidizing some sections of the Japanese press—notably the newspaper *Hochi*—the fifth leading daily in Japan.

6.—Ayukawa³⁴ (the leading industrialist in Manchukuo—a cousin of Mr. Matsuoka—and the chief Pro-Axis businessman)—seems to have some suspicion of current conversations. Yesterday he cabled Mr. Kurusu (who signed the Axis Alliance in Berlin, but who is personally a convinced Anti-Nazi) asking him to obtain certain information—the precise nature of which we have not yet learned. As an agreement with America would destroy the virtual business monopoly of Ayukawa in Manchukuo, it would be better, in the public agreement, to announce the application of the Open Door to Manchukuo as well as China, but to say nothing probably concerning the use of American mechanized products for the development of Manchukuo.

7.—Baron Kano, Finance Commissioner at London, wrote a secret political report in which he stated recently that Lord Halifax told

³³ Notation in red pencil by the Adviser on Political Relations (Hornbeck): "Evidently written by Walsh"; he added: "They envisage a U. S.-Japan control of the Pacific."

³⁴ Yoshisuke Aikawa.

him (Baron Kano) that it was Halifax' lively desire to achieve the restoration of the Anglo-Japanese Alliance.

8.—Mr. Matsuoka's journey to Berlin is reliably interpreted as a ceremonious gesture to inform the Germans that the Japanese intend to interpret the Axis Alliance as involving no more than peaceful action. (The Japanese are most ceremonious in tendering refusals.) It is further pointed out that if the Japanese intended to strengthen the Axis Alliance militaristically, Matsuoka certainly would not have gone to Berlin.

9.—The Japanese are assisting Germany with supplies shipped through Russia and through a South American country under a three-way barter system.

10.—To stabilize the Far Eastern region, and to prevent military or political aggression by Japan itself or by Germany or Russia, it is thought that not only China must be furnished with some political integrity but that the Southeastern countries of the Far East must assume, or be given, a political status that will guarantee them against absorption by a victorious Axis. The confirmation of their character against future political aggression from Europe and elsewhere can best be made by a declaration of a Far Eastern Monroe Doctrine.

11.—If agreement is reached on other substantial points, the Japanese are quite willing to officially recognize the United States as a great Pacific Power, and to issue jointly with the United States a declaration of a Far Eastern Monroe Doctrine that would be interpreted and applied in all particulars, and by parallel action, precisely as the original Monroe Doctrine is applied by the United States in the western hemisphere. Other interested nations could be later invited to join this declaration. (From our own conversation with Matsuoka, I am certain he will not agree with this proposal; but Prince Konoye, Baron Hiranuma, etc., will agree.)

12.—It is suggested that when basic agreement is confirmed that the Honolulu Conference recommend the appointment of a Commerce Commission, a Finance Commission and a Treaty Fulfillment Commission, composed of Americans and Japanese. These Commissions to be empowered to mediate or adjust specific differences in procedure or interpretation as such may arise. The very existence of these Commissions would indicate, by diplomatic indirection, the political removal of Japan from the Axis.

13.—In view of the contemplated transfer of Japanese merchant shipping for Allied uses (conceivably through American marine brokers) it might be properly proposed that the British, while retaining political sovereignty of Hong Kong and the Federated Malay States, would permit Japanese economic participation in both sections. The British might further consider the return of Kowloon

and the adjacent Leased Territory to China as a parallel action to the withdrawal of the Japanese from other sections of China.

14.—It is desired that foreign observers should not be invited to attend the Japanese-American Conference at Honolulu. In Japan, it would be explained that while other nations are vitally interested, it is also true that all nations of the world are likewise interested, but that this Conference is directed toward the adjustment of American-Japanese relations. If a more general conference is later desired, that could come by future arrangement with the various Pacific countries.

15.—Though Chiang Kai-shek has already, in secret truce terms, conceded the *de facto* recognition of Manchukuo, it is anticipated that he will now volubly oppose it for trading purposes. But, if he accepts it, the Japanese see no reason why the Americans cannot subsequently acknowledge the status of Manchukuo as a *fait accompli*.

16.—The Japanese Rulers are as anxious as we that, during these conversations, the United States should continue to exercise substantial pressure against Japan, but, by friendly gestures, deprive the Japanese “die-hards” and fifth columnists of propaganda ammunition against the United States.

17.—Meanwhile, the leading Japanese publicists and directors of *Nichi-Nichi*, *Osaka Manichi*, and *Asahi*, are prepared, whenever the cue is given by the Government, to create in Japan a favorable press for the United States.

P. S. (1)—Prince Konoye has hung on the wall of his private bedroom a photograph of President Roosevelt.

P. S. (2)—Mr. Wikawa realizes the un wisdom of any personal meetings with prominent Americans at this time but he has asked me to express his deepest gratitude and appreciation to the three persons thus far concerned.³⁵

P. S. (3)—This memo, as agreed, is strictly confidential to the three persons previously mentioned.

P. S. (4)—I consider that we have reached a point in our conversations at which I really need to know, unofficially yet definitely, what objectives are of critical concern to the United States. I am working on the following:

- (1) Removal of Japan from the Axis Alliance;
- (2) Guarantee of Pacific peace;
- (3) Open Door in China;
- (4) Political integrity of China;
- (5) No further military or political aggression;
- (6) Economic and financial treaty;

³⁵ President Roosevelt, the Secretary of State, and Postmaster General Walker.

- (7) Use of Japanese merchant shipping;
- (8) Stoppage of all supplies to Germany;
- (9) Obstruction to the spread of communism;
- (10) An agreement with Japan based on certain principles as enunciated by Mr. Roosevelt and Mr. Hull.

711.94/2005₇₄

The Postmaster General (Walker) to the Secretary of State

[NEW YORK,] March 13, 1941.

Special Memo.

Ticker-report enclosed ³⁶ is exactly what was predicted and communicated to you some days ago. Apparently Matsuoka realizes that his Berlin trip is also intended to get him out of the way.

Wikawa cabled to Prince Konoye to take over the Foreign Office Portfolio immediately and to instruct the Japanese Embassy at Washington not to present the suggestion of Matsuoka's visit to our State Department. The value of any visit of Matsuoka to the United States would be scuttled in Japan where, it is thought, Matsuoka wants to become Premier (a doubtful benefit to the United States).

Of all the code and plain cables sent from here to Prince Konoye during the past two weeks, only one of these has been shown to Foreign Minister Matsuoka (according to cable received here today from Prince Konoye).

This afternoon, Wikawa also cabled Prince Konoye that every effort must be made to conclude a basic agreement on principles before the end of this month—since it is becoming increasingly difficult to maintain secrecy. Obviously, the Premier is planning the American entente as coup against the Axis groups in Japan—as well as Hitler.

P. S.—A cable from Ayukawa (referred to in my previous memo) requested Kurusu (former Ambassador to Germany) to remain here and cooperate with Col. Iwakuro (arriving March 20th–21st). This afternoon, Ambassador Kurusu telephoned the Japanese Embassy at Washington but Wakasugi, the Minister there, said he was “too busy” to see him! Wakasugi says he is “preparing business for the U. S. State Department”, but, actually, he knows very little of the real intentions of his home Government.

³⁶ It reported Foreign Minister Matsuoka on leaving Japan as saying that he would be willing to extend his tour to Washington and London if invited; his chief secretary added that “the best way to solve Japanese-American differences would be for President Roosevelt or Sec[re]t[ar]y of State Cordell Hull to meet the Foreign Minister at Hawaii and thresh out the whole problem”.

711.94/2004

The Ambassador in Japan (Grew) to the Secretary of State

No. 5443

Tokyo, March 13, 1941.

[Received April 2.]

SIR: With reference to Embassy's 330, February 27, 10 p. m., reporting a conversation with Colonel Hideo Iwakuro (Iwaguro) of the Japanese Army General Staff, I have the honor to enclose a copy²⁷ of a despatch telephoned to the *New York Herald Tribune* by its Tokyo correspondent on February 25, 1941, and which, it is understood, was not published by the *Herald Tribune*. The despatch summarizes an exclusive interview given to the correspondent by Colonel Iwaguro prior to his departure for the United States to assume duties in the Japanese Embassy at Washington as a "Special Adviser" to Ambassador Nomura.

Colonel Iwaguro stated that a war between Japan and the United States would be "one of the most stupid events that ever occurred." He insisted that he was in a position to say that Japan would not resort to force in carrying out her program of southward expansion and denied that Japanese forces were preparing to take military, air and naval bases in Indochina and Thailand. Attributing rumors of a Far Eastern crisis to a third Power, the Colonel stated that establishment of military or naval bases in Thailand or the Netherlands East Indies by the United States would be construed as a "kind of military encirclement of Japan by America" and the consequences could not be predicted in such an eventuality. He expressed the opinion that war between Japan and the United States would not occur unless America resorted to military operations or declared war against Germany. Regarding China, he said that a merger of the Governments of Chiang Kai-shek and Wang Ching-wei was necessary.

Respectfully yours,

JOSEPH C. GREW

711.94/2005²⁸a*The Secretary of State to President Roosevelt*²⁸

WASHINGTON, March 14, 1941.

Referring to the call which the Japanese Ambassador is to make on you this afternoon, suggestions are offered as follows:

1. Should the Ambassador bring up the question of Mr. Matsuoka's visiting the United States, you might comment to this effect: "We

²⁷ Not printed.²⁸ Notation by the Adviser on Political Relations (Hornbeck): "Secretary of State to President—by hand—III-14-41." Memorandum drafted by Messrs. Hamilton and Hornbeck.

of course welcome visits to this country by persons occupying responsible positions in other countries. Visits at the present time by any such persons may be especially informative both to them and to us, in view of the current complexity of problems of international relations and of the tremendous changes which have occurred in the United States during recent months. If Mr. Matsuoka chooses to visit this country while proceeding from Europe to Japan, he will of course be welcomed."

2. Should the Ambassador mention his compatriots who are here and who apparently desire to have this Government enter into discussions with them on the question of improving relations between Japan and the United States, you may care to say—as I did to the Ambassador on March 8—that you very much appreciate the purpose of the Ambassador's compatriots and that of course officials of this Government charged with the conduct of foreign relations could not confer with them individually in regard to matters pending between our two Governments unless the Japanese Ambassador should assume the responsibility and the initiative to that end.

3. Occasion or opportunity may develop, in the course of the conversation, of which you might care to take advantage for the offering of observations on lines as follows:

In view of Japan's membership in the tripartite alliance with Germany and Italy, there arises question whether Japan has retained freedom of action and whether her actions will so demonstrate, or whether Japan has committed herself in alliance with Germany to oppose the things—principles, policies and objectives—to the support of which this country is habituated and is committed. Can the military groups in control of the Japanese Government expect important countries like the United States to maintain silence and remain inactive while two or three nations engage in tremendous programs of military and naval expansion and move toward conquest of the rest of the earth? As long as Hitler continues his avowed course of unlimited conquest and tyrannical rule and as long as the Japanese army and navy extend their occupation by force of other and distant areas on both land and sea, the apprehensions and the concern of this country will be very real and our reactions be increasingly realistic. This country is proceeding with a program of rearmament with ever increasing speed and effectiveness, and our national effort, directed in no way toward any program of aggression, is more and more being concentrated upon the problem of perfecting our defense and supporting the resistance of other nations to movements of conquest. We wish to be friends, we are ready to be friends, with every nation in the world—but in our concept real friendship and real cooperation can prevail only between and among nations each and all of which want peace and security for all.

711.94/1997

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] March 14, 1941.

The Ambassador of Japan called at the White House at his request. The President and I were present at the meeting.

The Ambassador proceeded to say that none of his people, with few exceptions, desired war between our two countries; that Matsuoka talks loudly for home consumption because he is ambitious politically, but Japan herself cannot maintain such ambitious plans. He said that Japan desired especially three things in the Chinese situation; the first was good will; the second was economic cooperation; and the third was Comintern defense. He then said that Japan wants raw materials from neighboring countries, and that the "New Order" which contemplates equality of economic opportunity and cooperative prosperity should be given a flexible interpretation. He continued by saying something about the increasingly disastrous situation in Europe, and added that Japan and the United States should cooperate for peace.

The President then emphasized very strongly the deep-seated effect on public opinion in this country arising from the Tripartite Agreement, and he proceeded to emphasize vigorously the dangerous effects of this agreement and the utter lack of any sound reason for Japan to enter into it from every standpoint of her welfare. The Ambassador rather lamely remarked that this country was pressing Japan with embargoes and trade restrictions, and they were in a way forced into this Tripartite arrangement. The President controverted this and again said that from every viewpoint this action was contrary to the interest of Japan; that Hitler would rule over every country if once given the opportunity, just as he is today ruling over Italy and the other countries which had trusted him. The Ambassador did not discuss this phase further.

Then the question arose regarding the threatening nature of Matsuoka's acts and utterances, and the Ambassador said that Matsuoka's trip to Berlin was a mere compliment to the German Government, such as is customary in the existing circumstances for countries like Japan.

The President then proceeded to set forth the sound rules and policies of international trade based on the rule of equality of treatment and elaborated at length with illustrations of the situation facing different countries in various parts of the world. He said that the task would be left to a few important nations like this country and Great Britain, and also Japan if she should be so disposed to reorganize international trade on a sound liberal basis, to cooperate with

countries that were weak, or at a disadvantage, to enable them to enjoy all the benefits of economic progress. He said that the United States, for example, desires to aid Brazil to develop her most important lines of production to fit it into the international economic trade situation, and that this country likewise desires to cooperate with Argentina for a like purpose, especially as it relates to Argentine beef and other surplus products.

The President then referred to the fact that the South American countries are forty and fifty years behind us and behind Japan, especially from a political and economic angle, and that he hoped all the South American countries would continue to improve their political situation and to enjoy all of the principles of equality, international law, moral concepts and freedom from any interference with their sovereignty or territorial integrity. He then stressed the close ties existing between Thailand and Japan, adding that the former was more closely related to Japan in many ways than the Argentine was related to the United States. The President said that the suggestion had been made now and then that the United States take over the West Indies, but that the attitude of this Government unreservedly has been to see each country preserve its sovereignty, its territorial integrity and equality of opportunity, and that all the nations of the world can on the same basis come and trade with the nations of this hemisphere. The Ambassador admitted that we had been treating Central and South America extremely well, and that we had developed greatly the good neighbor relationships.

The President again returned to the Tripartite Agreement and said that it had upset the American people because they think that a concerted effort is being made by Germany and Italy to reach the Suez Canal and by Japan on the other hand to approach Singapore, the Netherlands East Indies and the Indian Ocean. The Japanese Ambassador spoke more strongly than he had in his earlier talk with me, expressing his belief that his country would not go South.

The President came back to the matter of the great work the United States has been doing for economic equality of opportunity, and said that if Great Britain wins, she must be willing for Germany to have equal access to all raw materials and equal trade opportunities. He then remarked that the United States and Japan do not produce rubber and tin and numerous other commodities produced in the British Empire, and that by international arrangements, access to each and all of these must be equal to each country alike. The President illustrated the necessity for this broader course by citing the fact that private efforts had been made to control rubber production and had failed; that control of coffee production had been attempted and had failed.

The President finally remarked that, as the Ambassador indicated, matters between our two countries could undoubtedly be worked out without a military clash, emphasizing that the first step in this direction would be the removal of suspicion and fear regarding Japan's intentions. I here remarked that, of course, with Matsuoka astride the Axis on his way to Berlin and talking loudly as he goes, and Japanese naval and air forces in the vicinity of Indochina, Thailand and Saigon, with no explanation but with serious inferences, the Ambassador must realize how acute feeling and opinion in this country have become.

The Ambassador said that Japan had no idea of controlling China and again referred to the communistic situation there. The President replied by saying that the people of China were constituted very differently from those of Russia; that in particular the people of China have a philosophy that stabilizes them and guides them along much broader lines than the Russians, who have no philosophy. He continued by saying that China was not really communistic in the same sense as Russia and that Japan has an undue fear of communism in China. The Ambassador joined with the President a number of times in expressing the view that differences between the countries could and should be worked out. The Ambassador did not, however, respond to requests for any additional methods of approach beyond the Chinese-Japanese question. He did not say so, but I inferred that he would probably be returning in due time for another conference. I made it clear that Japan, having departed from the course that both countries have been pursuing, the initiative and the responsibility are hers to suggest what, how and when, she is willing, as a preliminary step, to undertake serious discussions, and that above all she must make it clear by words and acts of her serious intentions in this direction.³⁹

C[ORDELL] H[ULL]

740.0011 European War 1939/9176a

The Secretary of State to the Ambassador in Japan (Grew)

No. 2145

WASHINGTON, March 15, 1941.

SIR: There is enclosed for your strictly confidential information a copy of a paraphrase of a message from the Naval Attaché at Tokyo dated March 1, 1941,⁴⁰ which the Department assumes has already

³⁹ In telegram No. 174, March 17, 2 p. m., the Ambassador in Japan was informed as follows: "On March 14 the Japanese Ambassador called on the President, the Secretary of State being present, on which occasion there developed a general discussion of relations between the United States and Japan. However, no new points of importance were developed." (711.94/1987)

⁴⁰ Not printed.

been brought to your attention, from which it will be noted that officers of the Japanese Navy are reported to have expressed in conversation the opinion that in the anticipated German spring offensive British defeat is a foregone conclusion; that British sea power will probably be diminished to such an extent that control of the Atlantic will be lost to the British; and that as a result thereof a part of the American fleet will be withdrawn from the Pacific Ocean, enabling the Japanese to carry out their plans for expansion in southeast Asia without substantial opposition.

It is assumed that, should statements along the lines of the foregoing be made in the course of conversation to members of the Embassy staff, the staff members will in their discretion point out in reply that the American Government is determined, as indicated by the President in his address of October 12, 1940⁴¹ at Dayton, Ohio, that no combination of dictator countries will stop the help we are giving to Britain and to other countries engaged in resisting aggression; that we are confident that the help which we are giving and expect to continue to give to Britain will enable that nation to defeat Hitler and the forces which he represents; moreover, that a fundamental precept of American foreign policy has been the right to peaceful use of the Atlantic and Pacific Oceans; that our intention to maintain this policy was only recently reaffirmed by the President himself; that in the United States public opinion does not lean in regard to the Far East toward pursuit of any policy of appeasement or abandonment; and that this Government believes that no nation can with warrant proceed on an assumption that a situation will arise in which the United States will be unable to give adequate attention to the appropriate protection of its interests in the Far East.

Very truly yours,

For the Secretary of State:
A. A. BERLE, JR.

711.94/1987

The Adviser on Political Relations (Hornbeck) to the Ambassador in Japan (Grew)

WASHINGTON, March 15, 1941.

DEAR MR. GREW: There is enclosed a copy of a memorandum covering the conversation which the Secretary of State had on March 8 with the Japanese Ambassador.⁴² The substance of the memorandum was sent you in the Department's strictly confidential telegram 163, March 11, 7 p. m.

⁴¹ Department of State *Bulletin*, October 12, 1940, p. 291.

⁴² *Foreign Relations*, Japan, 1931-1941, vol. II, p. 389.

In the second paragraph of the memorandum of the conversation, you will note reference to Japanese nationals who are seeking to make a contribution to better understanding between the Japanese Government and this Government. The person who appears to be the spokesman of such Japanese now in this country seems to be Mr. Tadao Wikawa, who proceeded to the United States on the same boat as Mr. Donald W. Smith, Assistant Commercial Attaché of the Embassy. The Department is sending you a copy of Mr. Smith's strictly confidential report of February 25 from Vancouver in regard to the visit of Mr. Wikawa to the United States.

You will recall the approach made to the Department by Mr. M. Kleiman⁴³ (see Department's instruction 2107 of January 21, 1941⁴⁴) and the exposition by Mr. Kleiman of views on the subject of improving relations between the United States and Japan. Mr. Kleiman, we understand, has close contact with the Japanese Financial Commissioner in New York City. We also understand that Mr. Kleiman and his Japanese associates have made efforts to present their views to the President through unofficial channels. Bishop Walsh of the Maryknoll Mission has also approached the Postmaster General with a plan for bringing about peace in the Pacific area. Mr. Wikawa appears to be in touch with Bishop Walsh and the group which he represents. Mr. Smith's report indicates that Mr. Wikawa and Colonel Iwakuro may be associated in their activities in this country.

Mr. Hull, Mr. Welles, Mr. Hamilton and I are the only ones in the Department who are aware of these various developments. Information on the subject is being treated here in the strictest confidence. It is therefore requested that the contents of this letter and of the enclosure be made known only to Mr. Dooman.

Yours sincerely,

STANLEY K. HORNBECK

*Mr. Lauchlin Currie to President Roosevelt*⁴⁵

[WASHINGTON,] March 15, 1941.

REPORT ON SOME ASPECTS OF THE CURRENT POLITICAL, ECONOMIC AND
MILITARY SITUATION IN CHINA

I arrived in Chungking February 7 and departed February 27. In this interval I had about twenty-seven hours of serious discussion with

⁴³ See memorandum of January 10 by the Chief of the Division of Far Eastern Affairs, p. 1.

⁴⁴ Not printed.

⁴⁵ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y. For additional correspondence on Dr. Currie's mission to China, see vol. v, pp. 479 and 602 ff. *passim*.

Generalissimo Chiang Kai-shek, interviewed most of the cabinet members and leading generals in Chungking, interviewed a large number of other officials and members of the foreign colony at Chungking and Chengtu, and studied many memoranda submitted to me by the various ministries. I was assured by many that I was given access to material never before made available to a foreigner. I pursued my inquiries along three broad lines—political, economic and military. In reading this report it should be kept in mind that in conducting my interviews and investigations I was not acting as an accredited representative of the American Government, but as a guest of the Chinese Government with the understanding that I would advise and consult on internal domestic matters with that government.

I—The Problem of Internal Unity and Morale.

Your verbal message to Chiang Kai-shek on this general topic was remarkably well-timed and unquestionably contributed a good deal toward the lessening of the tension that prevailed just before I arrived. It also gave me my cue and I lost no opportunity to urge, in as tactful and inoffensive manner as I could, the importance of preserving a united front with the Communists against Japan, and the importance of making progress toward democracy and the establishment of civil liberties.

I took no position on the truth or falsity of the numerous charges and counter-charges made by the National Government and the Communists. What I did stress, however, was that the Chinese Communists have received a very favorable and sympathetic press in the United States. I sought continuously to make the discussion turn on the question of tactics—on the desirability of alleviating real grievances and of depriving the Communists of the issues on which their support was based. In this connection I took the liberty of expounding at considerable length what I conceive to be your strategy of depriving your opponents of issues, and of your broad policy of removing grievances rather than attempting to suppress or ignore disaffection. I think this general line of argument made some impression on the Generalissimo, particularly as he himself has followed such tactics in dealing with disaffected groups other than the Communists and liberals. I am afraid, however, that my visit was too short to have left an enduring impression.

His hatred for the Communists is very deep and his distrust of them is complete. This hatred springs not from the usual antagonism between "property interests" and "the proletariat." It springs rather from the fact that the unification of China under his leadership has been a controlling passion with him for years and the Communists have been the only group that he has not been able to buy off, absorb,

liquidate or suppress. Moreover, the Communists have been the only party which has been able to attract mass support. While the Generalissimo is a true Chinese patriot with a deep and profound love for his people he has little faith in the ability of the people to govern themselves. His attitude toward them is purely paternalistic. He remarked again and again that they were uneducated and easily influenced by rumors and that they had to be more fully trained and educated before they could be trusted with any political power. He distrusts the intellectuals, particularly the returned students with western ideas of free speech and democracy. He deeply resents any criticism of the government, particularly if made in public.

I established sufficiently cordial relations with the Generalissimo as to feel able to tell him without offense various elements of disaffection which I had observed in China. This disaffection is particularly pronounced among the younger government workers, the university students and teachers, and in general in what we would call the liberal and progressive groups. They are definitely not Communists and are patriotic and loyal to the Generalissimo. However, they are disillusioned, discontented and discouraged. They do not feel that there is one liberal person among the ministers close to the Generalissimo. They do not feel that their own talents and patriotism are being availed of. Their economic status is rapidly worsening with the rise in prices. They feel that there is widespread spying going on and that it is dangerous to venture any criticisms of the government or government policies. I found that I got virtually nothing from an interview at which there were two Chinese present. I got very much more when I had one at a time, still more when I conducted the interview in my bedroom which was the most private room in the house, still more after a long interview, and that when they finally ventured on certain criticisms they would draw their chairs close to mine and their voices would fall almost to a whisper. I submitted that whether or not their fears were justified was not as important as that they thought that they were and that the intellectual atmosphere was definitely not healthy.

The censorship is so drastic that people have lost a good deal of faith in the press and the wildest kind of rumors readily gain credence. For example, there was a rumor circulating when I was there that I was strongly urging on the Generalissimo a policy of appeasing Japan. The Communist paper in Chungking ran an editorial welcoming me, drawing certain things to my attention. I thought it was fairly innocuous but nevertheless it was severely censored. This censorship took the form not only of crossing out words and passages but of actually, in one instance, changing a word so that a sentence which originally ran "China needs a sound financial system" appeared

in print as "China has a sound financial system." I was informed on good authority that there had been two to three hundred arrests of progressive elements in recent months but that all arrests had been suspended during my visit. The Minister of Education, Chin [*Chen*] Li-fu, is particularly hated and distrusted by all the liberal elements.

THE NATIONAL GOVERNMENT—COMMUNIST RELATIONS

I received the complete government story of the events leading up to the Fourth Group Army incident. I also, with the Generalissimo's knowledge and consent, interviewed Chou-en-lai and received, as I expected, a story with an entirely different slant. My own conclusions, for what they are worth, are as follows:

The Communists had expanded both in number and in areas unauthorized by the central government. Their introduction of progressive taxation on landlords, of local village democracy, their anti-Japanese propaganda, and their ardent advocacy of a rapid carrying out of Dr. Sun's Three Principles, have all proved popular with the peasants. The central government has become increasingly alarmed at the growing strength of the Communists. It has sought to meet this strength in various ways. One was by ceasing to give the Communists any military supplies. The second was by enforcing a military and economic blockade around the northern Communist areas. Finally, they adopted a legalistic attitude toward orders to the Communist armies, taking the position that these armies were no different from any other Chinese armies and that any failure to carry out any orders immediately constituted mutiny and insubordination. It was claimed, though I am not able to confirm this, that the Chinese commander who precipitated the pitched battle that occurred exceeded his orders. Thereafter, a very tense situation prevailed for a time when the part of the Fourth Route Army that had crossed the Yangtze was surrounded by Japanese and Chinese Government troops. Chou-en-lai told me, however, that the Fourth Route Army had succeeded in making a junction with the Eighth Route Army so that that particular danger seems to have passed. Just before I left China, Pai-Chung-hsi, the Deputy Minister of War, told me quite frankly that the Communists had suspended all guerilla activities and that the government had fifty of their best divisions immobilized in watching the Communists. When I asked him if there was any hope of a reasonable settlement being arrived at which would permit both armies to devote their full attention to the Japanese he replied that he was "hoping against hope."

In other words, the situation remains serious and a very important segment of Chinese military strength is not being used to prosecute the war against the Japanese. Nevertheless I do not think that actual

hostilities on a large scale will occur in the near future. Chiang Kai-shek asked me in a most earnest and confident tone to assure you that he had the situation well in hand, that he knew exactly how far he could go and that there would be no civil war. Judging from the attitude of Chou-en-lai, the Communists are equally desirous of avoiding a showdown at this time. Given this will on both sides, I think that while the central government will continue to apply pressure to restrict the areas in which Communists operate, and while the Communists will resist such pressure and while they will both talk as if a showdown were imminent, actually it probably will be avoided. I think your verbal message that I conveyed, together with independent evidence of widespread concern in this country, the pressure that has been applied by the British Ambassador, Sir Archibald Clark-Kerr, and lastly, the importance of continued aid from Russia, will all combine to dissuade Chiang from precipitating actual conflict. When at one of our last meetings Chiang asked me pointblank what my impression was as to the prospects of maintaining internal unity I told him that there were many things that disturbed me and many things that I did not know, but that I was clinging fast to the assurances he had given me and the attitude evidenced by Chou-en-lai. He replied that it was a very confused and involved situation, but that I had put my finger on the one essential fact.

In connection with the growing disaffection of the liberal elements within the central government areas of free China, I argued as strongly as I dared for a policy of conciliation rather than suppression. One of the arguments I used for my proposal for drastic land taxation reform was that it would hearten the liberals and steal some of the thunder of the Communists, and this argument seemed to attract him. The central government has recently begun to introduce some mild reforms in the hsiens, or counties, which provide among other things for popularly-elected advisory councils. I praised this extravagantly and said that it was one of the most exciting things I had heard and that it should be widely known in America. Chiang was very pleased and sent three or four people to tell me about it. Actually it amounts to very little, but I thought that I could not give too much encouragement to even small steps in the direction of democracy. I ventured to suggest that the appointment as a minister of somebody who would be regarded as a representative of the younger and more liberal groups would do much to reassure those groups and to reconcile them to such people as Ho-Yin-Chin and Chin Li-fu. At this point Madame Chiang interjected that we had in a walk that very afternoon been discussing the desirability of Madame Sun returning to Chungking. The Generalissimo then said that he would like to have her in Chungking where she would be a completely free agent,

that he needed a good Minister of Health, and that he would like Madame Sun to accept that position and would I please bear that message to Madame Sun when I saw her in Hong Kong on my return. Madame Sun said she could not accept such a post when I saw her, and I did not urge it upon her, as I felt that she was not fitted for administrative work and would be stepping out of character. I may be doing him an injustice, but I cannot help having the suspicion that the Generalissimo knew she would not accept the post.

My general conclusion is that while internal conflict will be held to a minimum during the war there is a very dubious prospect of maintaining political stability in the post-war period. My own experience has led me to believe that an American liberal adviser, backed by his government and able to deliver or withhold dollars and technicians in the post-war period, and finally, temperamentally congenial to the Generalissimo and able to hold his confidence, might be able to exert enormous influence in instituting thorough-going political and economic reforms and so prevent the clash that now appears inevitable between the left and the right.

II—*The Economic Problem.*

A good part of my time was spent on the economic problem. The remainder of this section is the brief discussion of my impressions and suggestions which I submitted to the Generalissimo at his request at the conclusion of my visit. I also submitted a statistical appendix to this report, on which the impressions and suggestions were largely based.

The economic situation, in my view, has reached a dangerous state and, if no drastic remedial measures are adopted, will probably become critical this year. After making full allowance for the effects of the economic blockade and transportation difficulties, China is confronted with a condition in which the volume of money (notes and current deposits) available to buy goods has increased rapidly while the supply of goods for sale is not increasing. The only possible consequence is a rise in price. On the basis of figures furnished me by the Ministry of Finance, another large expansion of money is in prospect for this year, amounting to nearly a doubling of the money in circulation in Free China. This can only lead to further inflation. The anticipated revenue this year from taxation is negligible and there is little hope in these circumstances of selling more than a negligible amount of bonds to the public. Taxation of land and income from land is left entirely to the provinces. Much of the land escapes any taxation and the part that is taxed pays only nominal rates.

The social and political effects of continued inflation are more serious than the purely economic effects. Important sections of the population are finding the buying power of their incomes reduced

while other sections are making windfall profits. This is bound to be damaging to national morale and will be exploited by opponents of the Government. Moreover, a continued policy of drift and the continued absence of any serious effort to correct the situation cannot fail to create a bad impression abroad of China's financial instability and will thus militate against other than purely military aid.

[Here follow suggestions concerning land-tax reform, public bonds, stabilization funds, increased goods supply, forced rice loan, exchange problems, banking, road transportation, Yunnan-Burma railroad, air freight, an economic mission, and postwar economy.]

This concludes the very hastily-written report I submitted. Most of the material was covered at some length in discussion. The report and the statistical appendix were requested largely as aids to memory. The Generalissimo professed himself to be very pleased with my diagnosis and suggestions. He immediately put into effect my suggestion for the reorganization of the Burma Road, although the suggestion of appointing Baker as Director General came from the Chinese. I understand that he has also since my departure appointed a commission to undertake the transition of land taxes from the provinces and districts to the central government. The foreign financial measures which he favors are discussed at the conclusion of this report. I am not sure that this report conveys a proper impression of the completely chaotic condition of the Budget. There is no semblance of budgetary control and no significant effort has been made to date to finance expenses other than by borrowing from banks. Large lump-sum payments are made to the military, and the Ministry of Finance had no idea how they are spent. I was informed that some of the material I requested had never before been collected and presented in the form I wanted it. I did not meet one person whom I considered competent in the whole Ministry of Finance. Fortunately, I had previously known the head of the Farmers Bank, Y. C. Koo, who is an able economist with fiscal experience, and through securing his services, I was able to obtain what I think was a fair approximation of the budget picture. I have, therefore, little hope that the Ministry of Finance as now constituted can carry out any far-reaching budgetary reforms.

X—*The Military Situation.*

1. *The Army Strength and Equipment.* From some points of view China's military strength is greater today than at the outbreak of the war. In comparison with 176 regular divisions at the outbreak of war China today has an army of 308 regular divisions, comprising 3.8 million men. A substantial portion of these men have had combat experience and are relatively well trained. In addition are some 500,000 recruits, 600,000 guerillas and over 500,000 transport and

other auxiliary troops. The regular army is well equipped with rifles, machine guns and ammunition. There are not, however, nearly enough rifles for the recruits and guerillas. The gravest defects of the regular army are in field pieces (it has about 650 mountain guns, of which only 100 are modern type), anti-tank and anti-aircraft guns, and aircraft.

The particular arsenal I inspected was excellent, being mostly equipped with modern automatic German machinery with German-trained Chinese technicians. The arsenals are, however, hampered by a shortage of raw material and are operating at less than half capacity. Consequently, it is felt that the reserve stock of small arms ammunition, rifles and machine guns is inadequate for a vigorous offensive. A program has been prepared which calls, if possible, for the expenditure, mainly in the United States, of \$77 million for raw materials, gasoline, etc., and \$130 million for armaments. If this material can be obtained, and if air superiority can be wrested from the Japanese, the Chinese are confident that they can assume the offensive with excellent chances of success. At present, they feel that any large-scale offensive would have to be undertaken under conditions involving too heavy loss of effectives.

2. *Aircraft.* The Chinese have recently received from Russia 50 new bombers and 50 pursuit ships. They have on order about 200 more but are not sure that they will get them. The new pursuit ship, the "132", was said by the Minister of War to be 50 kilometers an hour faster than the old E-15's and E-16's, had considerably greater firing power and also was able to climb 5,000 meters in ten minutes. I inspected one of the new Russian bombers, which unusual privilege, I am afraid, meant little to me. According to the General in charge, it can fly 320 miles an hour, has a 7-hour range, and can carry a bomb load of 1½ tons. The Chinese were pleased with the accuracy of the bomb sight. I observed that it had two water-cooled improved Hispano-Suiza engines, a three-man crew, a machine gunner in the nose and one in the rear (in front of the rudder) who operates one machine gun from a manually-driven turret at the top and one gun that can be pushed down through the opening of the compartment and can shoot below. The Chinese pilot said the bomber was remarkably sensitive to the controls.

There were only five Russians at the Club in Chengtu where they and we stayed. However, 300 Russians were expected shortly.

The Chinese are making great efforts to build a number of airfields that can carry the weight of our flying fortresses. I inspected one at Chengtu which was being built by 75,000 peasants with no power-driven machinery of any kind. The man in charge was a Chinese civil engineer trained at the University of Illinois. It was a marvelous

job of organization and, so far as I could judge, completely adequate from the point of view of foundation and drainage. I was assured that a number of such fields were being built near the coast.

I questioned the Generalissimo and the various generals I met closely on the specific need for airplanes. It developed that the most pressing need is for pursuit ships and a few very long-range bombers. While medium-range bombers would be useful, they are not so essential as the others. Pursuit ships are essential to protect troop concentrations in an offensive and to machine gun opposing troops.

The Generalissimo is very anxious to secure a few flying fortresses. He is under the impression, via T. V. Soong via Secretary Morgenthau, that you promised some in March or April. If you did not, this matter should be cleared up.

I inspected an aviation basic training school, where an air show was staged for my benefit by the more advanced commissioned pilots. There was formation flying, landing and taking off without stopping and a dog fight. The cadets were a fine-looking group. I saw no evidence of any slackness and I was told that they were vigorously selected and trained. One defect I noticed is that they receive no training in motor mechanics.

My opinion on these technical matters is entitled to little respect. Therefore I would strongly urge that a high-ranking naval aviation officer be dispatched on an inspection trip to check (a) on the extent to which the Chinese air force has corrected its deficiencies, (b) on the adequacy of facilities in China as a possible base of operations, (c) to check on the qualities and tactics of the Japanese air force, (d) and to convey to the Chinese the impression that we regard them as important potential allies. Such a visit would, I am sure, be welcomed enthusiastically and be of great tangible and intangible benefit. A young air attaché at the Embassy cannot hope to achieve the same results there and here.

3. *Strategy.* I received the very strong impression that the Chinese will not assume the offensive until they have more pursuit ships, more artillery and more small arms ammunition. On the other hand, they have little fear of any further offensive action by the Japanese. The Indo-China-Chinese border is now very strongly defended and the General Staff is confident that the Japanese cannot penetrate there. It is believed that apart from the release of troops from Manchuria, Japan cannot put many more effectives in the field. I was cited many instances of the decline in the morale of the Japanese troops,—how at first they would commit suicide rather than be taken prisoners, and would recover and bury their dead, while now they would even desert and leave their dead unburied. The sight of the officers living

riotously and enriching themselves through "squeeze" is likewise not helpful to the morale of the common soldier.

By all accounts the morale of the Chinese soldier is good. Certainly, in the Military Academy I visited, I could not hope to see a harder-working nor more serious-minded group of men.

XI—*Foreign Policy and Peace.*

The Generalissimo expressed the hope that relations between America and the U. S. S. R. would become closer. He gave it as his view that the Russians could not be influenced or swayed by diplomacy; but that if they wanted a thing badly enough in their own interest they usually found a way of getting it. He felt that the Russians were preparing for an inevitable clash with Germany and needed American science and technology. Hence Russia would make efforts to secure closer relations with America.

On China's relations with Russia I received some interesting sidelights from Chiang and from Sun Fo. Chiang said that Dr. Sun and Lenin had worked out an agreement whereby the communists would confine their appeal to Dr. Sun's Three Principles in China. Since that time, and particularly since 1935, the Russian attitude toward the National Government has been scrupulously correct. The Soviet Government made it clear that it regarded the Fourth Route Army Incident as a purely internal affair. However, he made a sharp distinction between the Soviet Government and the Third International which latter, he claims, determines Chinese Communist policy. He said that the Soviet Government had given a great deal of aid solely for the purpose of fighting Japan but had not given one cent for any non-military purpose.

Sun Fo, who acts as special envoy to Russia, stated that in the early part of 1937 the Russian Ambassador proposed a non-aggression pact, to be followed later by a mutual assistance pact. The Chinese Government did not take advantage of this offer. After the invasion by the Japanese Sun Fo was sent to Moscow to revive the mutual assistance pact idea. Stalin told him that the whole situation had now changed, that the whole point of a mutual assistance pact was to prevent aggression, and now that aggression had occurred, the conclusion of such a pact would be tantamount to a Russian declaration of war on Japan, and this Russia was not prepared to do. However, he was prepared to conclude a non-aggression pact, and to make a loan. Stalin then told him to take the matter up with the League of Nations, and if the leading powers in the League of Nations were prepared to employ economic sanctions, Russia would apply military sanctions. In June 1938 Russia extended a credit of \$50 million which was increased in September by another \$50 million. This one hundred

million dollars was used largely for the purpose of purchasing about a thousand airplanes, employing aviation personnel, and acquiring some field pieces and machine guns. Of the last credit of one hundred and fifty million dollars extended in September 1939 a substantial sum is still unexpended.

On the relations of the Soviet Government with the Chinese Communists, Stalin said that he regarded the National Government's dispute with the Chinese Communists as a purely internal affair. He had urged the Chinese Communists in 1935 and 1936 to attempt to make a united front with the National Government and to prepare against Japan. He did not think that China was ready or would be for a long time for the Russian type of Communism. He assured Sun Fo that Russia had no territorial ambitions in China, and that just as soon as the National Government was in a position to assert adequate authority in outer Mongolia the Russians would give up their tutelage. Somewhere along in 1935 the Russians supported the local Chinese leader in Sinkiang in the form of two divisions dressed in Chinese uniforms in a conflict with a Moslem leader who was prepared to be a Japanese puppet. This was the only occasion of Russian dealings with anybody except the National Government. It was Sun Fo's conviction that the Third International is now quite inactive.

Chiang is a vigorous supporter of the view that the Japanese invariably take advantage of any signs of weakness and back down when met in a determined manner. He was positive that there would be no danger of a Japanese southward move if America had an adequate base in the Far East. He was enthusiastic over the proposed fortification of Guam and, naturally, laid great stress on the deterrent effects of bombing of Japan from China. All of the people I talked to who had been trained in Japan or who claimed to know the Japanese thought that, being so methodical, they would consolidate their positions in Indo-China and Thailand, construct air and supply bases before moving on Singapore, and would move on Singapore before venturing to take the Dutch East Indies.

With reference to peace or appeasement, I personally heard nothing. Hollington Tong, Vice Minister of Information, who acted as interpreter and with whom I became intimate, told me that there were people in the Government "who were weary of the war" but that none of them ever dared speak to the Generalissimo along these lines. The Generalissimo himself assured me that he would not make a separate peace with Japan no matter how attractive the offer. The only peace in which he would participate would be one arranged by America, Britain, Soviet Russia, China and Japan, under the chairmanship of an American. The main objective of the peace should be peace for one hundred years. He was prepared to be generous and not vindic-

tive to achieve this end. Parenthetically, I might remark that engraved on the ceremonial dagger he presents to each general is a motto that runs something like this. "It is a disgrace to a military man so long as any Chinese soil is under foreign domination."

I think that Chiang can be held in line with a little care and attention from America. His attitude toward America is compounded partly of sentiment and partly of self-interest. He admires America, and particularly you, tremendously, and to be treated as an equal or ally would mean a great deal to him. Shortly before I arrived he complained to Clark-Kerr that Britain never treated China as an ally, not even according her the treatment accorded Turkey. He is most anxious that China be regarded as a "democracy", taking part in the common world struggle of democracies. From the point of view of self-interest he is relying almost entirely on American help in the great work of post-war reconstruction. He reverted to this topic again and again. He bears much more resentment toward the British.

I think it most important, in addition to giving material aid, to go out of your way to say nice things about China and to speak of her in the same terms now used toward England. Also, as something to be kept in mind, the surrender of our interest in the Shanghai International Settlement in the post-war settlement would enormously enhance our goodwill in China. Chiang resents deeply the Treaty Ports.

One further topic may be mentioned under this general heading. Chiang is afraid that the Japanese may invoke their belligerency rights in order to extend the blockade to ships carrying cargo destined for China. In such circumstances he hopes that you will not recognize such rights and that you will be prepared to embargo Japan and provide convoys for ships to China. This matter is outside my province but it occurs to me that a judicious "leak" to the effect that America was considering possible reprisals should Japan invoke her belligerency rights might have a wholesome restraining effect. This possibility also suggests the desirability of rushing materials to Rangoon and India.

XII—*Suggestions and Recommendations.*

The following suggestions and recommendations are based on the assumption that it is to America's interests (*a*) that China should continue an intensified campaign against Japan, (*b*) that America should participate in any peace, (*c*) that political and economic stability in China be maintained, (*d*) that goodwill toward America be built up in China and (*e*) that we participate in China's reconstruction after the war.

1. *Financial Measures.*

a. The freezing of Chinese balances in the United States. The Generalissimo has very strong feelings on this matter and, after urging the necessity of the action verbally on me several times, gave me a strongly written appeal to you. I earnestly hope that you can comply with his wishes in this matter.

b. The conclusion of export and stabilization loans. These have been hanging fire for a long time. The Generalissimo hopes that they can quickly be concluded. He would prefer a single board under the Chairmanship of K. P. Chen, to administer the various stabilization funds. I think, however, that he could be shown the desirability of separate Sino-British and Sino-American Boards since it appears that the handling of the funds will be for quite distinct purposes. He hopes that the \$5 million a month limitation on the availability of the American funds will be waived. I think also that we would gain by making this gesture of full trust and confidence in him.

2. *Military Aid.*

I was given a complete list of the artillery, ammunition and ordnance raw material needs of the Chinese Army, amounting to \$207 million. In addition, the Chinese would like as many pursuit ships and long-range bombers as we can spare. It was stressed continually that all these items were necessary in order to assume the offensive. I think that, in releasing matériel and pilots, you could arrive at a more definite understanding that an offensive will actually be undertaken. A first-class military diversion in China should have a decidedly deterrent effect on any contemplated Japanese move southward.

In addition to the more purely military supplies, the Chinese want and need help in transportation material. The Generalissimo asked me to convey to you his desire for help in (a) financing a railroad from Kunming to the Burmese border to connect with the Burma Railroad which the British have agreed to extend from Lashio to the border and (b) securing about 35 new or old transport planes that could be used for air freight, together with civilian pilots to fly such planes.

Military aid to China has hitherto been on rather a sporadic and *ad hoc* basis. I venture to suggest the desirability of making certain organizational changes that would ensure that Chinese needs be considered along with and weighed against the needs of Britain, Greece, and our own defense. This might be done by extending the terms of reference of your new Cabinet Committee and by attaching me to it in some capacity to ensure that Chinese needs for matériel, priorities, etc., are given proper consideration.

Finally, I would repeat the suggestion made earlier that one or two high-ranking naval aviation and perhaps army staff officers be dispatched on a flying inspection and consultation trip to China. In addition to the information secured, which I think would be valuable, such a visit would have excellent psychological repercussions in China and, I believe, in Japan.

3. *General.*

a. *Political and Economic Adviser.*

The Generalissimo is most anxious to secure an American political adviser and an economic adviser recommended by you.

b. *Economic Mission.*

He is also anxious to secure a joint Anglo-American economic mission under the chairmanship of an American. I should like to discuss both these requests with you verbally.

c. *Necessary Administrative Changes in China.*

During my visit I became convinced that the budgetary reforms necessary to check a very serious inflation and to ensure some measure of financial stability during and after the war cannot and will not be carried through by the present Minister of Finance. A change for the better here is absolutely essential. Unless this is done economic advisers or economic missions will be able to accomplish little. This, again, is a matter I should like to discuss more fully with you verbally.

d. *Post-War Problem.*

As I mentioned earlier, Chiang is relying very heavily on American assistance in the post-war reconstruction of China. He hopes that arrangements can be worked out whereby we will be able to dispose of much of our older and "surplus" machinery to China, together with supplying skilled technicians. He conceives that the Economic Mission he proposed would concern itself largely with post-war problems.

He said that in the post-war development of China the State would assume a predominant role, that he was opposed to the private exploitation of natural power resources, that he wished to avoid great inequality in incomes and wealth, and that he was determined to carry out land reforms so that those who tilled the soil would own it.

e. *Publicity and Our Relations with China.*

One of the most effective ways of encouraging China and deterring Japan would be to go out of our way in giving evidences of friendship, close collaboration and admiration for China. This can be done both overtly and through "inspired" stories coming out of Washington. Since China is really a dictatorship, the character of Chiang Kai-shek himself is a prime desideratum in our foreign policy. I am convinced that his sentimental attachment and admiration for America and for you in particular could be greatly increased through care on our part to accord the same treatment to China as to Britain, and

by more personal evidence of friendship from you. As I told you, he reads every word of your speeches and considers you the greatest man in the world. The extreme consideration I received in China was solely attributable to my official relationship to you.

The great influence America now has in China can be exerted not only to further our own interests in a narrow sense, but also, if we have sufficient wisdom and goodwill, to guide China in her development as a great power in the post-war period. China is at a crossroads. It can develop as a military dictatorship or as a truly democratic state. If we use our influence wisely we may be able to tip the scales in the latter direction and, through the inauguration of political, social and economic reforms and the enhancement of the efficiency and honesty of the bureaucracy, contribute toward the well-being of hundreds of millions of people, and indirectly to our own future well-being.

LAUHLIN CURRIE

711.94/2005.4

*The Postmaster General (Walker) to the Secretary of State*⁴⁶

[NEW YORK,] March 16, 1941.

Memo

A preliminary draft of the "agreement in principle" is already drawn in rather extended form. Certain points are so important and critical that they should reach you, in summary form, at once.

Incredible as it may seem, Mr. Wikawa has substantially approved an "agreement in principle" which provides:—

a. diplomatic, political, economic and financial instruments for the dissolution of the German-Japanese partnership and the complete cessation of all trade with Germany:

b. the release of a considerable tonnage of Japanese merchant ships to be chartered to Americans without restriction as to cargo or destination, with the single exception of direct discharge in England or Scotland:

c. a formula by which the United States during the next three years may request the cooperation of Japan's naval forces:

d. secret terms confided exclusively to the United States for the settlement of the China War and provision for the intermediation of President Roosevelt if such terms meet with his confidential approval:

e. a recommendation for the formation of certain autonomous states in the southwestern Pacific to forestall the pawning or seizure of such states as war spoils:

f. guarantee of Philippine independence and conditional aid in the event of unprovoked aggression by any third power:

g. Japanese pledge against military or political seizure of any territory within the Far Eastern region as defined and stabilized by a joint American-Japanese declaration of a Far Eastern Monroe Doc-

⁴⁶ Probably written by Bishop Walsh.

trine to be interpreted and applied, after consultation, in a manner exactly parallelling the functioning of the Monroe Doctrine in the Western Hemisphere.

h. the inauguration of vast economic opportunity for the United States in the Far East (1) by economic treaty (2) by method of gold credit allocation (but not physical transfer) which would make it impossible for the present Germany to trade in the Far East and, at the same time, render Japan amicably, but so deeply, subservient to the United States that political antagonism would be suicidal:

i. a conference at Honolulu, to be called as soon as practicable, to specify the economics and limitations of the "agreement in principle" and to signalize by appropriate circumstances (notably the attendance of President Roosevelt and Prince Konoye) the inauguration of a new era of Peace in the Pacific (and the end of the Axis Alliance! Alleluia!)

After consultation with Col. Iwakuro, Mr. Wikawa asserts that some modification but no substantial change will be made on the above-mentioned points of agreement.

For reasons which cannot be described briefly but which are subtly confirmed in Matsuoka's statement (March 15th) that "some latent results may be obtained" from his talks with Axis leaders, it is morally certain, though as yet not positively confirmed by private cable, that Mr. Matsuoka is going to Berlin to announce the intention of the American agreement which Prince Konoye considers it most necessary to synchronize with the announcement of the Axis. (Indeed they must be synchronized if assassinations are to be avoided.)

If our negotiations fail, Matsuoka will strengthen, presumably, the Axis at Berlin.

P. S.—This communication is, of course, absolutely confidential to the three persons.⁴⁷

711.94/2005,†

*The Postmaster General (Walker) to the Secretary of State*⁴⁸

[NEW YORK,] March 17, 1941.

Memo

1.—The draft of our agreement establishes the basis not only of cooperative action by the United States but inaugurates a revolution of "ideology" in Japan. What Mr. Wikawa has called the "180° change" cannot be produced in Japan without the greatest secrecy of preparation where public opinion, (as distinguished from press reports), carries great weight.

⁴⁷ President Roosevelt, Secretary of State Hull, and Postmaster General Walker.

⁴⁸ Probably written by Father Drought, who added a postscript in ink: "March 18th. A copy of the Preliminary Draft was forwarded to-day to Prince Konoye—(unknown to Japanese Embassy)."

2.—During Matsuoka's visit at Berlin, Germany will probably threaten Japan with attack from Russia and direct aid to Chiang-Kai-Shek from both Germany and Russia for the continuance of the war.

N. B. 3.—As the complete reversal of the Axis policy for Japan can only be accomplished effectively by a *coup de main*, and as a thorough solution of "the Japan question" is desired as soon as possible by the United States, the Japanese will move with great rapidity and cable to their Embassy at Washington their formulation of our "agreement in principle" for official presentation by Admiral Nomura immediately upon my assurance that I have well-founded knowledge that it would prove substantially acceptable.

4.—The Japanese entertain a lively enmity toward the British who, they feel, have misrepresented them to the United States and misrepresented them in the Far East.

5.—Mr. Wikawa has cabled Prince Konoye urging upon him that he personally should prepare a draft of "spiritual" principles affecting human freedom and rights.

6.—Three weeks ago, the Japanese Government advised the leading newspaper editors to modify anti-American utterances.

7.—The preliminary draft is now complete and I shall bring it to you at Washington on Wednesday.⁴⁹

P. S.—It cannot be too strongly emphasized that Prince Konoye, Count Arima and Marquis Kido (Lord Keeper of Privy Seal) are endangering their lives by these negotiations. Obviously, they will not confide in the Japanese Embassy at Washington until they are certain of substantial agreement with the two persons.

711.94/2005½

*The Postmaster General (Walker) to the Secretary of State*⁵⁰

[NEW YORK,] March 17, 1941.

PRELIMINARY DRAFT OF "AGREEMENT IN PRINCIPLE"

Preamble.

1. The Governments of the United States and of Japan jointly acknowledge each other as equally Sovereign States and contiguous Pacific Powers.

They affirm that the recent deterioration of amicable relations and the antagonism of policies in action have been developed to their mutual regret.

⁴⁹ March 19.

⁵⁰ Carbon copy, probably from Father Drought.

2. Having explored deeply, with amicable intent, the sources of clashing purposes, and having resolved upon an "agreement in principle," herein enunciated, the Governments of Japan and of the United States, in a spirit of high resolve, and invoking Divine aid for the foundation of a firm peace in the Pacific and the inauguration of a new era of respectful confidence and cooperation between our peace-loving and industrious peoples, declare, of their spontaneous free-will, the unanimity of their acceptance and application of principles and procedures described herewith and conceived by both as inseparable from the maintenance of a just order, a legitimate freedom and a desirable economic and cultural existence.

3. The Governments of the United States and of Japan recognize that the diversity of cultural, and consequent political and social, forms prevailing among advanced nations, is founded on the inescapable differences of natural endowment and physical circumstance which eliminate the possibility of mathematical and mechanical identity in social expression and development among nations. They acknowledge that only a perverted will can distort, as an incitement to conflict and a foment to emotional suspicion and fear, this natural diversity which, when properly appreciated and encouraged, is one of nature's gifts for creative human and international progress. They believe that the living waters of the wells of human life, while differently contained and reflecting lights and shadows appropriate to their multiple placements, must be kept pure and freshened by conceptual and moral forces which should be common to all.

Rules for Nations.

1. Wherefore, and impelled by the tragic confusion that now threatens to engulf the content of civilization, the Governments of Japan and of the United States desire, uniquely, to give expression to those principles of social order and national life upon which their interrelation will be established to continuance, and without which no compromise of political or economic interests could long survive. Between mutually antagonistic "ways of life" there can be no real, enduring trust and friendship but rather an unremitting warfare of the spirit restrained from actual combat only by temporary adjustments of shrewd compromise, motivated by a self-seeking utility and unfair advantage.

2. Accordingly, both Governments declare, without prejudice to the individual conscience of their citizens, that

I. nations, represented by their constituted governments, acquire a legal equality unaffected by race, religion or material resources:

II. nations, properly constituted, acquire by natural process a condition of freedom and a liberty of action consonant with the demands of their own self-preservation and progress, and regulated in its exer-

cise by the precepts of moral conduct, the inalienable rights of others and the transcendent welfare of that humanity shared by all as members of a world household:

III. the governments of nations are the benefactors of their peoples, the guardians of their rights, and reconcilers of the individual freedoms of their citizens:

IV. political institutions, though diversely fashioned to suit national conditions and temperaments, are similarly purposed to serve evenly and justly the rights of all citizens, the equality of their liberties and opportunities, the protection of their domestic security and the confirmation of their individual freedom within the limits of the common good, and with exception of such forfeitures of personal liberty as natural catastrophe may compel or the interests of national salvation judiciously command:

V. the racial origin of nations or individuals confers neither a title to unmerited superiority nor, conversely, a brand of infamy and a mark of shame to condone the blind tyranny of hateful discrimination:

VI. within properly constituted nations, all citizens are equal before the law; with their freedoms of person, of expression, of worship, of occupation and of family association confined in their extension by considerations of general welfare and denied in their exercise only, by juridical processes, when they are subversive of the common good.

VII. nations, like individuals, enjoy the right to legitimately acquire, and securely maintain, possession and control of operation of properties and material resources necessary to the maintenance of national or family life and conducive to human progress through an advancing standard of living:

VIII. the exercise by nations of these rights of ownership and control must be voluntarily regulated by moral law and that mutuality of interest which is inherent in the concept of human society as a brotherhood of man:

IX. peace between nations is not acquired by negation of action but must be won and conserved by moral vigilance, a mutual political confidence and economic tolerance practised in normal relations and applied in arbitration for a solution of such conflicts as are inevitable when the activities of growing nations are quickened by ideals of betterment and not arrested by the craven timidity of self-isolation.

X. mutual relations among the family of nations should be regulated by peaceful processes. But, for defense against aggression that would destroy our pledged "way of life" or threaten our national freedom or security of existence, the protective use of force may be invoked to resist the evil which, if unchecked, may lay waste the very foundations of society.

XI. among nations, the political form of constitution, the governmental organization and the method of selecting its official personnel are proper objects of private domestic concern, subject, however, to the principles of human rights above enunciated and the moral equities which transcend the political structure of any nation.

Aids to Peace.

1. The Governments of Japan and of the United States mutually recognize that grave disturbance of peace and orderly inter-relations may be the outcome of misdirected political policies and propaganda

quite as much as actual warfare. To correct the one and to avoid the other, it shall be the aim of both governments, while stoutly adhering to the unchanging principles which underlie and control their intercourse, to envisage an orderly change of processes and conventions, undertaken after consultation and designed to suit future contingencies and conditions which no human insight can discern and no legal instrument predispose.

2. The Governments of the United States and of Japan maintain that a union of good-will, generously sustained by repeated acts of just consideration, should become among both our nations a tradition bulwarking the edifice of peaceful amity against insidious rumors of suspicion, thoughtless animosity to alien manners, and the jealousy and ambition of selfish groups which gather accumulated force when they are ignored and acquire the velocity of a challenge when they are electrified by some unfortunate incident.

Accordingly, for the preservation of peace through the friendship of our peoples, our governments pledge themselves and, so far as may be, our people, to the exercise of mutual consideration and the cultivation of a wider knowledge and appreciation of our respective national folk-ways and traditions.

3. The Governments of the United States and of Japan consider that their national interests can be served and their living benefits advanced by cooperative efforts that take into account (a) the natural endowment of physical and population circumstances in each nation; (b) the political and social environments, whether domestic or adjacent in space and contactual through influence; (c) the economic necessities and comparative subsistence levels of both nations.

Axis Alliance.

1. The Japanese Government declares that its purpose and aim in affirming the Axis Alliance was a purpose of legitimate self-protection and an aim of distributive peace. The Japanese Government refuses to admit, and affirms that it will never sanction, the interpretation of its action or obligation under that Alliance as a design for military involvement in the present European struggle of arms.

2. If such an Alliance was conceived by others, or constricted by subsequent events, as a military manoeuvre initiated against the United States, the Japanese Government not only renounces such an event but reaffirms that it never contracted to such a consequence.

3. The Government of the United States cordially confirms its confident acceptance of the pacific assurance of the Japanese Government and reasserts that it has entered into no alliance, and will renounce any interpretation of existing political associations, as designed for military aggression against the people of Japan.

4. The ensuing stipulations of our "agreement in principle" afford indisputable proof of the genuineness of the foregoing assertions by each Government.

Intermediation of China-Japan Conflict.

1. It is not anticipated that President Roosevelt would announce the following terms nor actually arbitrate judicially the peace. On the contrary,—as part of the "agreement in principle", the Japanese would pledge these terms secretly to the United States Government with complete confidence that Mr. Roosevelt would not disclose them to the Chinese or to any third Power.

2. Mr. Roosevelt's public invitation to peaceful negotiations would express only the broad principles for an equitable and enduring peace and for a future desirable union of the two nations acting against communism and any other aggressive enemy of Far Eastern peace. Fortified by knowledge of the pledged terms, Mr. Roosevelt could publicly express his satisfaction that the Japanese would make a just peace with China.

3. By pre-arrangement, the Japanese would then express publicly their acceptance of Mr. Roosevelt's peace invitation and proceed to negotiate directly with the Chinese the solution of their present conflict.

4. The United States Government will appreciate that the actual negotiations with the Chinese cannot be carried out in the straight-forward manner of conversations with Americans. Accordingly, concurrent reports of the projected Chinese-Japanese negotiations will indicate, certainly and correctly, that the Japanese will be demanding substantial concessions at variance with the terms secretly pledged to the United States. Nevertheless, the final terms of settlement will not be at variance with those above listed.

5. Furthermore, to give assurance that the terms, below mentioned, will be sustained in the final draft of the Chinese-Japanese Treaty, the Japanese Government will agree to submit to the Government of the United States a final draft of the Treaty, before publication, so that the Government of the United States may assure itself confidentially that the terms antecedently pledged have been adhered to.

Proposed Secret Terms for a Settlement of the China-Japan Conflict.

1. The Japanese will guarantee

(a) complete political independence of China:

(b) withdrawal of Japanese troops in accordance with a concerted plan agreed to by the Chinese:

(c) no imposition of indemnities:

(d) no acquisition of Chinese territory, with the geographical definition thereof to be mutually agreed upon by the Chinese and Jap-

anese. (It is implied that if, under such definition, the Chinese concede the recognition of Manchukuo, the United States Government subsequently would accept the Chinese decision and accord *de facto* recognition by sending an official representative to the Manchukuo Government.):

(e) resumption of the Open Door, with agreement to construct jointly (at some future, convenient time) a comprehensive interpretation of the political and economic meaning of that phrase as based on existing diplomatic exchanges and related to our new mutual understanding:

(f) no large-scale or concentrated immigration of Japanese into Chinese territory.

2. The Japanese will request

(a) no boycott or trade discrimination against Japan:

(b) adequate police control particularly in the northeastern area:

(c) civil action to discourage the spread of communism and cooperative suppressive action against military and organized political communism in China.

(d) effective use of present Chinese military forces acting, *without* assistance of Japanese, to suppress the traditional widespread banditry in China:

(e) civil rights and protection for all foreign invested interests:

(f) the establishment of a unified Chinese Government so constructed as to retain, if the Chinese desire, Mr. Lin⁵¹ who is now acting as Chief Executive of both Governments, and to coalesce the present Governments of Chiang-Kai-Shek and Wang Ching Wei.

3. The Japanese would further agree to the nomination of a committee (1) to supervise Treaty fulfillment by both parties and (2) to report its judgments, to the United States and Japan, on the identity of constitutional government should fresh civil wars break out in China.

Naval Forces.

1. The United States and Japan agree to entertain, during the ensuing three years and thereafter by formally renewed mutual consent, a unilateral request for cooperation of their naval forces when either government judges that a national emergency requires such cooperation: it being understood that both the submission of the request and its acceptance by one Government or the other shall be made or executed in accordance with the constituted procedures, legislative and executive, obtaining in the respective countries.

2. The Japanese Government consents, on the conclusion of this "agreement in principle", to withdraw its main naval forces in the Pacific to their home bases and to restrict their transit eastward as within limits to be specified at the Conference.

⁵¹ Lin Sen, President of the Chinese National Government.

The United States Government agrees to withdraw its main naval forces to Hawaii and West Coast bases and to restrict their transit westward to within limits to be specified at the Conference.

3. The disposition and quantity of auxiliary naval forces of both nations in the southwestern Pacific and Philippine areas will be left for determination by the joint Conference.

4. At the conclusion of the projected Conference each nation shall dispatch a courtesy squadron to visit the country of the other and signalize the new era of Peace in the Pacific.

Mercantile Marine Release. (Not for publication.)

Upon the conclusion of this "agreement in principle", the Japanese will agree to release on assignment for charter by American marine brokers or shipping companies a very considerable percentage of her total tonnage of merchant vessels (the approximate amount to be determined at the Conference). If properly insured and licensed, the Japanese will impose no restrictions on cargo and no restrictions on destination except direct discharge in England or in Scotland.

Japanese Trade Relations With Germany. (Not for publication.)

A.1. The Japanese will agree to sever completely all trade relations with Germany, both as buyer and as seller, until some future date which shall be determined upon after consultation with the United States.

2. The Japanese will agree also to stop all shipments of supplies to other countries when and if it is established that such countries (or country) are re-exporting such supplies directly or indirectly to Germany.

B.1. The Japanese desire that the United States shall agree to restrict such of her exports to Soviet Russia as, upon presentation of evidence, are being processed to the menace of Japanese military security: this restriction to be sustained until some future date which shall be determined upon after consultation with Japan.

Exports and Imports.

1. In addition to oil and rubber, the Japanese need primarily certain minerals, cotton, steel, "heavy industry" and mechanized products. The Japanese will impose little or no tariff barriers to such imports—but they desire, in return, the assurance of supply of the afore-mentioned materials with quantities to be approximately determined at the Conference and confirmed later in a Reciprocal Trade Treaty.

2. Recognizing the higher costs of American production and the high standard of American living, the Japanese are agreed to accept without protest "prohibitive tariffs" on such exports to the United States of Japanese manufactured products as the Americans consider

detrimental to their own economy. In return, the Japanese request the good offices and influence of the United States to establish within the Far Eastern region (a) a standard of tariff equalities and (b) the elimination of existing discriminations against Japanese manufactured products.

3. Foodstuffs and agricultural products from the United States will be admitted to Japan free of duty whenever it is determined that the domestic agricultural produce or product is less than the normal annual consumption demands.

4. The Japanese desire the duty-free exportation of raw and processed silk to the United States; equality with the United States in trans-Pacific freight and passenger traffic; with eastbound rates determined on Japanese standards and westbound rates determined by American standards.

5. The Japanese request, when the official consent to the projected agreement has been given, and when terms have been released for official presentation to the respective Foreign Office and State Department, that the United States should thereupon agree to the resumption of normal trade relations as established under the previously existing Commercial Treaty (subject to the limitations of the American Defense Program). Such an action would have most favorable consequence on the Japanese public opinion and dispose it to be more amenable, than it could otherwise be, to certain provisions of this Agreement. On the other hand, the Japanese will agree to make some comparable gesture of practical amity at the same time; this gesture, or course of action, to be suggested by the United States.

Gold Credit.

1. It is obvious that, under the export-import relation proposed, the trade balance would favor the United States, at present and increasingly in the future as, under peaceful conditions, the standards of Far Eastern living advance.

2. Consequently, the Japanese will need (a) "gold" exchange to meet their unfavorable American balance (b) a firm currency with a better-than-present exchange rate that will enable them to multiply their American purchases and prevent a domestic inflationary process that would disrupt Japanese export business on a monetary basis and drive her into the commodity barter system.

3. Accordingly, and for the higher strategic reason of waging an economic war against Germany by retaining Japan, and with her much of the Far East, on a monetary economy within which Germany cannot operate, it has been suggested, and it is cogently desired by the Japanese, that the United States segregate, but not transfer from the physical possession of the United States, gold (to be determined

later as to sufficient amount) which would be applied, under certain conditions, to the support of the Japanese currency and retained without re-sequestration by the United States unless and until stipulations affecting Japanese currency issue and domestic and exchange values had been violated by the Japanese or unless and until Japan had re-acquired a surplus gold deposit sufficient to establish and maintain her own currency at the value and ratio achieved by the passive assignment of American gold.

Oil. (Not for publication.)

1. The Japanese desire the assurance of purchaseable quotas of crude and refined—the amount to be determined in the Conference and computed on statistics of existing needs and legitimate reserves and on an expert estimate of increased consumption.

2. Actually, the Japanese (without informing their own public) are willing, given assurance of supply (*a*) not to contest or attempt to disturb the American proration control in the Dutch East Indies: (*b*) to purchase their oil supplies directly from United States territory provided (*c*) that, in order to convey to their own public the aspect of “self sufficiency,” they are accorded the contractual right to acquire by purchase, and to control equally with Americans, the yet undeveloped oil resources of the southwestern Pacific area—it being further agreed that the Japanese would open up these wells only if their assured quota is not delivered and if increased demand for use within their own Empire exceeds the deliverable quota.

3. The Japanese agree not to re-export oil, crude or refined, which is delivered within the Empire on the basis of the annual allotment adjusted with a fixed minimum.

4. Within the Japanese Empire, a Government controlled company shall act as the assignee of all imported oil, crude and refined. For the distribution and sale of oil within the Empire, domestic or foreign companies of private capital may freely compete. The Japanese Government agrees to impose no maximum on oil imports which will be allowed freely to increase with the commercial demand determined at the discretion of private purchasers ordering their supplies wholesale through the above-mentioned importing company.

5. The prices of the oil allotment quota to Japan shall be determined according to existing trade practice.

Rubber.

1. The Japanese would consider favorably the establishment of an American-Japanese Company for the maintenance and processing of an adequate rubber supply for the Japanese Empire.

2. Without changing the existing ownership of production, the Japanese desire a contractual allotment proportionate to world needs

versus actual supply and based on statistics of proved consumption and on an expert appraisal of advancing needs; this allotment to be obtained at competitive world prices.

3. The Japanese desire complete freedom, with exception as elsewhere noted, for the export of rubber products on a free competitive trade basis to all countries and territories within the Far Eastern region.

Autonomous States in the Southwestern Pacific Area.

1. To assure stability, and as a further proof of their non-aggression pledge, the Japanese recommend the formation of autonomous States (without necessarily changing Government personnel) in certain countries and territorial groups bordering the Southwestern Pacific.

2. To prevent the pawning or seizure of these countries as "war spoils" (an operation, by whomever made, which Japan would feel compelled forcibly to resist); it is proposed that the present Indo-China be constituted as an independent state under the name of "Annam"; that the British-Dutch possessions of Borneo be amalgamated into the "Federated Borneo States" in a manner to be agreed upon by British and Dutch interests; and that the present "Dutch East Indies", without change of Government, become the "Dominion of the Dutch East Indies" with a political independence and character comparable to, or exceeding that of, Canada.

Status of Far Eastern States Under Joint Far Eastern Monroe Doctrine.

1. The Governments of the United States and of Japan pledge themselves against military or political seizure of any territory within the Far Eastern region as defined and stabilized by a joint American-Japanese declaration of a Far Eastern Monroe Doctrine to be interpreted and applied, after consultation, in a manner exactly paralleling the functioning of the Monroe Doctrine in the Western Hemisphere.

2. The Governments of Japan and of the United States announce that they will not acquiesce in the future transfer of territories or the relegation of existing States within the Far East to the political sovereignty or domination of any European Power.

3. The Governments of the United States and of Japan jointly guarantee the independence of the Philippine Islands and will consider means to come to their assistance in the event of unprovoked aggression by any third Power.

4. The Governments of Japan and of the United States agree not to enter upon any political or military alliance with third Powers directed against the other.

Conference.

1. It is suggested that the Conference between the delegates of the United States and of Japan be held at Honolulu and that this Conference be opened for the United States by President Roosevelt and for Japan by Prince Konoye.

2. This conference could be held as soon as possible (May 1941?) after the "agreement in principle" between the two nations has been announced.

3. The agenda of the Conference would not include a reconsideration of the "agreement in principle" but would direct its efforts to the specification of the pre-arranged agenda and the drafting of instruments to effectuate the "Agreement."

4. Subjects to be committed to the deliberative decision of the Conference delegates would be

(a) the personnel and mechanical arrangement for drafting a new commercial treaty:

(b) fortifications in the Pacific:

(c) the scope and function of a standing Japanese-American Inter-Commerce Committee with membership divided between both nations and personnel resident, at least during alternate years, in each country:

(d) Japanese Immigration; it being agreed that the United States shall recommend, and that Japan shall require, there shall be no discrimination against Japanese immigration for citizenship in the Far Eastern region:

(e) the recommendation, with description of scope and function, of a Japanese-American Committee to administer the financial provisions of the "agreement in principle" in accordance with the instrumentality which will be devised for its administration by the Conference:

(f) the establishment of a Commission for the adjudication of claims and counter-claims arising from the China Incident and as yet unsettled by diplomatic negotiations:

(g) a structural outline for economic cooperation and elimination of conflict between Japanese and American business interests in territories where neither enjoys political sovereignty or preferment:

(h) a formula to discourage discrimination in legal status against American aliens in Japan or its Possessions and against Japanese in the United States or its Possessions excepting such limitations as are, by law, applicable to all aliens:

(i) provision for student interchange—cooperation of scientific research societies—cultural relations—motion pictures—literature—etc.

(j) air-line communications to & from Japan & the United States.⁵²

It is desired that there should be no foreign observers at the Japan-American Conference.

⁵² Added in ink, probably by Father Drought.

711.94/2005‡‡

*Mr. Joseph E. Davies to the Secretary of State*⁵³

[WASHINGTON,] March 17, 1941.

Ambassador Saburo Kurusu, whom I knew well in Belgium, and who, as Ambassador, went from there to Berlin, wirelessly me that he would be in Washington enroute home; and that he would like to have a visit with me. He had lunch with the writer this day.

After a visit, discussing the plight of many of our friends in Belgium, he stated the following:

He had sent in his resignation to the Japanese Foreign Office and was joining his wife (an American woman) and family in Japan. As he had stated to me in Belgium, he had gone to Berlin upon the direction of the then Japanese Cabinet for the purpose of preventing Japan from joining the axis and if that could not be prevented then to make it as harmless as possible; that he failed he said because his group (the anti-military) in Japan had received no support from either Britain or the United States. The result was that the military clique had prevailed, the whole matter had been taken out of his hands in Berlin, and had been transferred to Tokyo; leaving to him only the formal signature of the treaty in Berlin which he had done under the direction of his government.

He then went on to say that, in his opinion, the only hope for saving any part of ordered civilization in the Pacific area, was for the United States and Japan to come to an understanding; that the situation was deteriorating so rapidly that it was developing into a torrent which could not be stopped. He did not think that his country had any designs of a military character upon Singapore or any military or naval activity in the southern Pacific, but that there was a real danger lest, because of the application of economic sanctions by the United States, sheer desperation would drive the Japanese into a corner which would cause them to fight, as there was no other recourse,⁵⁴ even though it meant defeat.

I took the occasion to impress upon him that, in my opinion, the attitude of the Government of the United States, in relation to Japan, as in relation to all other countries, was that it desired peaceful and friendly relations with all governments and with Japan; but that the people and the government had reached the firm conclusion that fundamental and vital issues were now at stake; that the United States had determined upon its course which it would follow with single purpose

⁵³ Copy transmitted by Mr. Davies in his covering letter dated March 18 to the Adviser on Political Relations (Hornbeck); Mr. Davies at that time was senior partner of the law firm Davies, Richberg, Beebe, Busick & Richardson, of Washington.

⁵⁴ Marginal notation by Dr. Hornbeck: "This is nonsense."

to the end; that the United States was not bluffing; that what the situation required, in my opinion, were not generalizations but express and specific acts, backed by promises made by people who would live up to their word.

I agreed with him that there was probably a big responsibility resting on Japan and the United States, in connection with possibly bringing the world war to an end; but that I felt sure personally that both the people and the government of the United States would not tolerate any effort which involved processes of appeasement. I stated it to be my own opinion that if Japan were to withdraw from the axis now, it might be "the break" which would be the "beginning of the end"; that it was obvious that that break must come sometime and that it would be fortunate for the world if it could come now.

I also stated that I thought it was a rare opportunity for Japan to establish itself in the world along the right side of law, order and decency in international relations and contribute to the restoration of peace and the establishment of a decent world in which to live. This opportunity, I stated, might not come to them again. I ventured the opinion that within the next four or five months, in all probability, events of a military character would determine that either one side or the other would be "over the hill" and that the opportunity now existing would then be foreclosed to Japan as a contributing factor to permanent world order and possibly world peace.

Kurusu said that he felt that there was a great deal in my point of view; in fact he said that he agreed with it. He made it clear, however, that he was without any commission or portfolio. I rejoined that I was in the same position; that I was speaking entirely without the knowledge of the President or the Secretary of State and was speaking only my own views.

In reply to my inquiry as to Matsuoka, he stated that Matsuoka had been using the military clique politically and that he had been "riding hard", and perhaps too hard and that the steed had gotten out of control; that he was now going to Russia and Berlin, with the expectation of bringing something back. He also said that Stalin⁵⁵ was "sitting tight" abiding his time and watching his opponents trying to outbid each other to secure his support.

Kurusu seemed to know practically nothing of what was going on in connection with discussions between the Secretary, the President and his government.

I told him that I would be interested in knowing what he found at home when he arrived there. He asked me why? In reply I told him that I had been approached by a responsible group who wished to

⁵⁵ Iosif Vissarionovich Stalin, Secretary General of the Communist Party of the Soviet Union.

retain me on behalf of big business in Japan for the purpose of trying to bring about peace in the Orient; that they had made representations to me that were startling.⁵⁶ The representations so made were to the effect that the situation in Japan had deteriorated so rapidly that the financial, economic, industrial and social structure in Japan, as well as the security of property and personal rights, were being threatened by anarchy which nothing could stop except peace; and that was the motive which prompted their approach to me.

This group had stated to me that they were in a position to assure the President and the Secretary of State that Japan would agree to the following:

- (a) To settle the war with China on any fair basis that the United States should determine.
- (b) To restate its position on the new order in Asia on terms which the United States would accept.
- (c) To withdraw from the axis.

That these proposals were based upon only one condition, i. e., that the situation should be so handled that the face of the government of Japan, which would do this, could be saved so that it would not be destroyed by popular reaction at home.

This group had assured me that they were strong enough and had representation enough in the Cabinet, in the Navy and in the Army to make good on these specific agreements.

I had declined the employment with the statement that, in my opinion, the only way for this matter to be handled, was for the properly accredited diplomatic representatives of Japan to take the matter up directly with the President and Secretary of State, and that if they could make good on these representations I thought that they would possibly contribute greatly to the possibility of peace, certainly in the Pacific, and possibly in the world.

Kurusu seemed to be impressed with this statement; he did not seem to be altogether surprised. He agreed with me that the only proper way was to go thru the regular diplomatic channels.

He said in conclusion that he was going back to Japan and make some inquiries and investigations on his own and that if he came back, which he might do, on a special mission, I would then know that he came with authority and something definite.

COMMENTS ON EUROPEAN SITUATION

With reference to Germany, the Ambassador said that the Germans were very confident of ultimate victory and were making preparations for every possible contingency, with characteristic German thorough-

⁵⁶ Pencil notation by Dr. Hornbeck: "I think that Joe [Davies] has been a bit indiscreet in telling K [urusu] this—But that's his, Joe's, affair."

ness. Hitler he said was "far and away" the overtowering personality and strong man of Germany. The German people he said were behind Hitler because they were convinced that defeat now would mean enslavement under a treaty far worse than that of Versailles.⁵⁷

Italy he said had become a joke thru Europe as well as in Germany. One of the favorite jokes, he stated, was the question—"What is the secret weapon of the Italian government?" Answer: "The German Army".

On the Balkan situation his view was that it was completely under Hitler control. This was because each of the little countries was realistically confronted with the fact that England could not make effective any promises of help in time to prevent their immediate destruction or absorption.

With reference to the invasion of England, he said that certain high military officials in Germany had stated to him that Germany could undoubtedly land an expeditionary force on the British Isles, but that the serious and most difficult problem was to keep them there and to maintain their lines of communication.

Barring some surprising and extraordinary success by the Germans over the British, thru an invasion, it was his opinion that it would be a long and bitter war; and that Germany could not be starved out in this war, as contrasted to the last.

He seemed to agree with me that in the long run, barring some accident, the industrial facilities and wealth of the United States, in support of England would win the war.

JOSEPH E. DAVIES

711.94/2005‡‡

*The Postmaster General (Walker) to the Secretary of State*⁵⁸

[NEW YORK,] March 18, 1941.

Memo

1. Dangers of Delay.

(a) The Draft Document is a proclamation of a revolution in Japanese "ideology" and policy as well as a proof of the complete success of American statesmanship. Therefore, Konoye-Arima-Kido-etc., can not manage it piece-meal.

(b) The Japanese leaders will possibly be assassinated. Mr. Wikawa and Col. Iwakuro expect assassination in any event. (Mr. Wikawa's mother expressed herself ready for this.)

⁵⁷ For peace treaty of June 28, 1919, see *Foreign Relations*, The Paris Peace Conference, 1919, vol. XIII, p. 55.

⁵⁸ Possibly written by Bishop Walsh.

(c) Delay may be misinterpreted in Japan and so fortify the "fifth columnists" (Shiratori, etc.) to cement the Axis Alliance through Matsuoka at Berlin.

2. Immediate procedure suggested.

Complete review by the two or three persons and substantial change introduced or substantial approval given—so that Tokyo can immediately instruct its Embassy to submit the Draft officially—upon which both Governments can announce an "Agreement in Principle", publicly indicating some of the general points. In Japan, this announcement would have the Emperor's approval.

3. Proof of Japanese sincerity.

If an authoritative approval of substance is privately, but categorically, given to me by the two persons, we will request the Japanese leaders to instruct (within two weeks) Admiral Nomura to present personally to Mr. Hull the Draft of the "Agreement in Principle".

If this is not done, we can properly doubt the sincerity of the Japanese. I have such confidential information that I am thoroughly satisfied we must help the Japanese to "put it over".

4. Length of the Draft Document is required in itself and in order to emphasize a complete change in policy.

5. Possibility of personally going over the material this week?

711.94/2103

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] March 22, 1941.

The Soviet Ambassador called to see me this morning at his request. I said to the Ambassador, as I had in previous conversations, that I felt it of the utmost importance for the two countries to remain in close touch with regard to developments in the Far Eastern situation. The Ambassador asked me if I had anything of importance with regard to developments within Japan in the past few weeks and I said that I had no information of any particular value but that I had gained the impression that the forces in Japan which were opposed to a policy of rigid military expansion, either north or south, were increasing in strength. The Ambassador said that he had this same impression. I said that I had been gratified to learn that the Chinese Government was now receiving valuable military supplies from the Soviet Union and the Ambassador replied that he knew this was the fact and that he believed such assistance would increase in scope during the next few weeks.

Mr. Oumansky stated that he was entirely uninformed as to what, if anything, would be said to Mr. Matsuoka when he visited Moscow.

He indicated vaguely and indefinitely that his Government was more apprehensive than it had been with regard to German designs upon the Soviet Union,⁵⁹ but, as he always does, insisted that Russia had nothing to fear because of her own completely satisfactory national defense situation. I obtained the definite impression that the Ambassador in reality has not been kept informed by his Government, at least recently, of any questions of importance relative either to German-Soviet relations, to Russian policy in the Near East nor to the apprehensions which the Soviet Government may have regarding German-Japanese designs against the Soviet Union.

S[UMNER] W[ELLES]

711.94/2005‡‡

Memorandum of Conversations, by Mr. Joseph W. Ballantine ⁶⁰

[WASHINGTON,] March 28, 1941.

On March 24, on the morning following my arrival in New York, I telephoned Father Drought and arranged to see him that morning. He gave me an extended account of the background in regard to the business on which I had come to see him. He explained that Bishop Walsh and he had gone to Japan last November for the purpose of discussing with the Japanese authorities questions presented by the adverse effects of the recent Japanese religious legislation upon the educational work of the Catholic Church in Japan. It was in the course of these discussions that the subject of American-Japanese relations arose. Soon after their arrival they were invited to talk with Matsuoka, who expressed concern for Japanese-American relations. Bishop Walsh expressed himself forthrightly to Matsuoka in regard to Japan's misguided policies. Matsuoka indicated that he was sincerely desirous of improving relations with the United States and he declared that if he could only see the President for an hour he felt sure that he could bring about an improvement in those relations. Matsuoka asked the churchmen to convey a message to the President in regard to his desire for good relations with the United States. Subsequently the churchmen were invited to meet numerous Japanese leaders outside the Foreign Office group. Their principal contact was through Wikawa, head of the Cooperative

⁵⁹ For Mr. Welles' warning of German attack on the Soviet Union, see memorandum dated March 20, Department of State, *Peace and War: United States Foreign Policy, 1931-1941* (Washington, Government Printing Office, 1943), p. 638.

⁶⁰ The Under Secretary of State (Welles) on April 3 wrote the Adviser on Political Relations (Hornbeck): "I have read this memorandum with much interest."

Mr. Ballantine was appointed on February 28 as Counselor of Embassy in China but meanwhile continued on special assignment in the Department.

Bank, who appeared to have close relations with persons in the higher political circles, both civilian and military, and who put the churchmen into direct contact with many of these leaders. During the course of the conferences thus held most of the points covered in the "draft" which Father Drought later communicated to the Department were discussed. The points not discussed were those covered by the following paragraphs: Preamble, paragraph 2; Rules for Nations, paragraph 1, paragraph 2, subparagraphs III, IV, and VI; Axis Alliance, the entire section; Intermediation of China-Japan Conflict (this was elaborated here); Proposed Secret Terms for Settlement of the China-Japan Conflict, paragraph 3; Naval Forces, the entire section; Japanese Trade Relations with Germany, A; Status of Far Eastern States under Joint Far Eastern Monroe Doctrine, the joint feature of the plan.

The churchmen left Japan on December 28 and arrived in the United States in the middle of January. Shortly thereafter they communicated Matsuoka's message to the President. About that time Suma⁶¹ arrived in New York en route to Spain, and the churchmen asked him how they might communicate a message to Matsuoka. Suma (after referring the matter to Tokyo) replied to them to communicate through Iguchi (the Japanese Consul at New York). Pursuant to this reply they communicated a statement to the effect that the message^{61a} had been delivered. Both Suma and Iguchi endeavored to question Father Drought about the matter, but he told them nothing. Father Drought then conveyed a similar message to Wikawa. Shortly afterwards he received a message from Wikawa that he was proceeding to the United States. He arrived on February 25, since which date he and Father Drought occupied themselves in preparing the draft.

Although Wikawa and Iwakuro were expected to arrive in New York on Monday⁶² evening, Father Drought informed me later⁶³ by telephone that he had received a telephone communication from San Francisco that Iwakuro had been taken ill on the boat and that they were consequently proceeding to New York by train rather than by air. At Father Drought's suggestion Wikawa proceeded alone by air, but he did not arrive until late Wednesday night, owing to the plane's being held up at Albuquerque by storms.

In my interview with Father Drought on Thursday morning before seeing Wikawa, Father Drought informed me that a hitch had

⁶¹ Yakichiro Suma, Japanese Minister to Spain, and previously Director of the Bureau of Information and Intelligence, Japanese Foreign Office.

^{61a} In a copy filed in the Division of Far Eastern Affairs, the words "to the President" are inserted here.

⁶² March 24.

⁶³ In a copy filed in the Division of Far Eastern Affairs, "later" is crossed out and the words "subsequent to our interview" are inserted after "telephone".

occurred owing to the fact that the German Ambassador at Tokyo⁶⁴ had become apprised of Iwakuro's departure from Tokyo within a few hours thereafter. As a result the German Government had taken counter measures of a nature which the Japanese had not foreseen. Father Drought would not reveal to me what these measures were, but he said that the situation would necessitate a complete change in plans as far as procedure was concerned. He felt sure, however, that this development would not affect substantially the terms of the "draft".

After having imparted this information to me, he communicated with Wikawa and took me to Wikawa's quarters in the same hotel. After introducing us, Father Drought withdrew. I had a conversation of over four hours with Wikawa. He gave me a detailed account of his career and his relations with other Japanese leaders. He said that his career had been largely in the field of finance. He had been adviser to the Japanese expeditionary force to Siberia in 1918-1920,⁶⁵ when he came into close contact with Matsudaira, now Minister of the Imperial Household and one of the most prominent pro-Anglo-American group. Wikawa is a cousin of Wakatsuki,⁶⁶ twice Prime Minister and still influential in circles surrounding the throne, although he is now 76 years old. Wikawa is director of the Cooperative Associations and head of the Cooperative Bank, which is now the largest banking group in Japan, larger even than the Mitsui and Yasuda. In this way Wikawa represents, he told me, 55 percent of the entire population of Japan and 90 percent of the agricultural and fishing populations. The president of the Cooperatives is Count Arima, who was Minister of Agriculture in the first Konoe Cabinet, but who declined a portfolio in the second Konoe Cabinet. Arima has had close connections with Marquess Kido, Lord Privy Seal, and Prince Konoe. These three are the most influential among the civilian leaders. In as much as the army also has its roots in the agrarian population, Count Arima's relations with the army leaders are close, and Wikawa told me that the army leaders are very anxious to avoid trouble with the United States, but he felt that this was not true among some of the more radical officers of the Japanese navy who feel that they have not had their share of glory during the last three years. He said, however, that during the last few years the navy has been given very generous appropriations which they have employed to expand the navy. He also informed me, and he said that he was incurring the risk of assassination in telling me, that a barter arrangement amounting to two billion yen had been arranged with Germany,

⁶⁴ Maj. Gen. Eugen Ott.

⁶⁵ Marginal notation by Dr. Hornbeck: "Bad actors."

⁶⁶ Notation by Dr. Hornbeck: "How does Wakatsuki stand with the *Army*?"

but that of this amount only 25 percent had so far been carried out. Wikawa spoke also of his associate, Iwakuro, who was due to arrive on March 30. He said that Iwakuro was the driving force in the army and a prodigious worker and was well thought of among all factions in the army, as well as in civilian circles. He had the complete confidence of General Tojo, the Minister of War, and General Muto, the director of the Military Affairs Bureau. He said that with Colonel Iwakuro there was also arriving a Colonel Shinjo, who was not being accredited to the Embassy, but would have his office in New York. Colonel Shinjo, he said, was an ordnance officer. Wikawa spoke with appreciation of the reception that had been accorded Iwakuro by General Peake at San Francisco.

Wikawa spoke of the scientific thoroughness of German propaganda methods in Japan and he said that Stahmer⁶⁷ had taken advantage of our export restrictions⁶⁸ and of our termination of the commercial treaty to persuade Japanese leaders to join the Axis. He said that the Germans had promised that as soon as Japan joined the Axis, Germany would arrange with the Soviet Union to enter into a political agreement with Japan. In fact, Tatekawa⁶⁹ anticipated before his departure for Moscow that upon his arrival there all he would have to do would be to sign on the dotted line. The failure of the political agreement to materialize had caused considerable disappointment over the Axis alliance. Wikawa said, however, that he was an optimist and that he had plans with which he hoped to counter German influence and he asked me not to divulge anything he was saying to members of the Japanese Embassy. He said that probably the officers of the Embassy would be disappointed that they were not in on negotiations, but he felt that such negotiations should be in the hands of more experienced persons than the Japanese career diplomats. He felt that the Japanese diplomatic service was out of touch with Japanese politics, and he indicated very clearly that he did not have any confidence in them. He spoke of Wakasugi as a man who had been too long away from Japan. Later on Wikawa made an apparently contradictory statement that he thought the best way was for Admiral Nomura to discuss matters directly with Secretary Hull. I endeavored discreetly to draw him out further in regard to his plans, but he would divulge nothing further. On the other hand, he endeavored to draw me out on my opinions, but I confined myself to generalities regarding American traditional policies much in the same manner as we had discussed the subject a few weeks ago with Mr. Hashimoto. Wikawa spoke of

⁶⁷ Heinrich Georg Stahmer, German adviser in Japan during Axis pact negotiations.

⁶⁸ Marginal notation by Dr. Hornbeck: "We had placed few before then" (1940).

⁶⁹ Gen. Yoshitsugu Tatekawa, Japanese Ambassador in the Soviet Union.

Japan's population problem and asked whether the Secretary was sympathetic with Japan's desire to send peaceful emigrants to thinly populated regions. I said that I did not recall any opinion having been expressed by the Secretary on that subject.

Comment: Wikawa is about 52 years old. He strikes me as being a person of character, force, and intelligence. I do not quite share Father Drought's optimism in regard to the immediate readiness of Wikawa and Iwakuro to agree to a plan for the settlement of the Far Eastern situation along the lines indicated in the draft. I think that it will take some time before the Japanese concerned can make adjustments to the new situation, whatever it may be, and that in the meantime they will divulge their ideas and plans only a little at a time in the hope of drawing me out as much as possible to gauge the extent of our eagerness to come to terms with them. Consequently I anticipate that some days must elapse before I will learn fully what they have in mind.

793.94119/736: Telegram

The First Secretary of Embassy in China (Smyth) to the Secretary of State

PEIPING, April 3, 1941—2 p. m.
[Received April 3—10:50 a. m.]

98. Peiping's 83, March 15, noon,⁷⁰ and previous related telegrams. The American informant⁷¹ in question [will leave?] from Peiping tomorrow for Chungking via Shanghai and Hong Kong. Knowing this, Counsellor Tsuchida in charge of the Japanese Embassy here called on him April 1st and again brought up the question of concluding hostilities with China. Informant reviewed the Chinese position as set forth in Peiping's 513, December 11, noon,⁷² and repeated his opinion that there was no possibility of peace negotiations with General Chiang Kai-shek until the Generalissimo was assured that the Japanese were genuinely willing to withdraw all troops.

Mr. Tsuchida appeared to be particularly interested in and manifestly worried about American assistance to China. He was also interested in the Chinese Communist question and the effect of recent clashes with Central Government; informant expressed the belief that the Japanese could not hope that internal disgrace would stop Chinese resistance.

After a lengthy discussion Mr. Tsuchida inquired as to the possibility of "mediation" by the United States between Japan and China

⁷⁰ Not printed.

⁷¹ Dr. John Leighton Stuart.

⁷² *Foreign Relations*, 1940, vol. IV, p. 466.

to bring hostilities to an end. Informant expressed the personal opinion that the United States would be willing to "mediate" or take part in a three power discussion only if requested to do so by both Japan and China and that as China would be willing to discuss peace only if assured of Japanese troop withdrawal the question now rested squarely with Japan.

Informant believes that Mr. Tsuchida's call upon him was under instructions from Tokyo.

Sent to the Department, repeated to Chungking, Tokyo, Shanghai.

SMYTH

793.94119/737 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, April 3, 1941—6 p. m.

[Received April 4—9 : 35 a. m.]

387. Chauvel says that the French Foreign Office does not take very seriously the reports received from Shanghai of discussions of possible peace negotiations between Chungking and the Japanese. Talks of possible peace terms, he says, are "chronic" and have been in progress from time to time between self-appointed and semiofficial emissaries practically since the start of the war. He believes in view of the importance of our aid to Chiang Kai-shek that the latter will not come to any terms with the Japanese at the present time, though Tokyo is obviously anxious to liquidate the Chinese "incident".

LEAHY

711.94/2031

The Ambassador in Peru (Norweb) to the Secretary of State

No. 971

LIMA, April 4, 1941.

[Received April 8.]

SIR: I have the honor to report that the Secretary General of the Ministry for Foreign Affairs told me last evening that he had received the call of the new Japanese Minister because the Foreign Minister was unable to see him, and that a most interesting conversation took place.

Dr. Bellido said that the Japanese Minister, whom he had never seen before, asked point blank what Peru's attitude would be if war were to exist between Japan and the United States. He was informed that if Japan went into the war on the side of the axis and if the United States were to become involved, Peru certainly, and probably the other American Republics also, would join the United States. Dr. Bellido, who obviously enjoyed telling me of this, observed that

the Japanese Minister looked a little startled at the reply. He added that the Minister had asked a very direct question and had received an equally frank answer.

Respectfully yours,

R. HENRY NORWEB

711.94/2006‡

*The Postmaster General (Walker) to the Secretary of State*⁷³

MEMORANDUM⁷⁴

After some delays, caused by new German offers to Mr. Matsuoka and by certain items in the "Preliminary Draft", Colonel Iwakuro came to New York and gave his "unofficial" consent to every substantial point—viz:

- (1) No military action against the U. S., if our Government decides on "protective defensive action against Germany";
- (2) Mediation of President Roosevelt for China-Japan peace on basis offered to, and accepted by President Roosevelt, as just and prudent;
- (3) Acceptance of U. S. credit that would involve Japanese business in a substantial dependent alliance with the U. S.;
- (4) Release of high percentage of Japanese merchant marine;
- (5) Mutual pledge of Pacific peace and appropriate Naval placements;
- (6) Conference at Honolulu opened by President Roosevelt.

Colonel Iwakuro feels that it will be impossible *politically* to effect a 180 degree change unless he can present some substantial benefits (1) Economically—and as respecting Japanese ownership of some Dutch-East Indian oil and some rubber and tin; (2) Politically—and as respecting removal of Hong-Kong and Singapore as doorways to further political encroachment by the British in the Far East.

He, with Mr. Wikawa and the Japanese Ambassador, is preparing a short statement incorporating all the points previously mentioned. This draft will be completed within a few days—and will be shown to us during the course of preparation.

The Japanese desire to have their draft shown unofficially to Mr. Hull in the expectation that Mr. Hull will unofficially inform a third party, whether such a draft would be accepted or rejected substantially.

If acceptable, it would be presented immediately to Mr. Hull by Admiral Nomura. Thereupon, announcement could be made jointly e. g., that the U. S. and Japan are negotiating for the establishment

⁷³ Notation by the Adviser on Political Relations (Hornbeck): "Handed by F[rank] W[alker] to C[ordell] H[ull], IV-4-'41."

⁷⁴ Presumably from Father Drought.

of Peace in the Pacific. Thereafter, procedure and phrasing would be carefully worked out by both governments.

It is desired to counter-balance, as quickly as possible, the German offers to Mr. Matsuoka. If these negotiations with the U. S. fail, the Japanese authorities are certain that they will lose control and a war in the Southwestern Pacific will be started.

711.94/4-541

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] April 5, 1941.

Reference, memorandum handed to the Secretary by F[rank] W[alker] on April 4, 1941 ⁷⁶ in connection with the John Doe matter.

1. I call attention first to the concluding paragraph of this memorandum. In that paragraph the immediate objective of the Japanese proposers is indicated: "It is desired to counterbalance, as quickly as possible, the German offers to Mr. Matsuoka." Also, there is drawn and displayed a gun: "If these negotiations with the United States fail, the Japanese authorities (which authorities?) are certain that they will lose control and a war in the southwestern Pacific will be started."

Comment: We have no knowledge of, and it may reasonably be assumed that the proposers have no knowledge of, "the German offers to Mr. Matsuoka". That offers—and probably threats—have been made we need not doubt. But that Matsuoka and/or the real authorities in Japan will make of Japan a German tool we scarcely need fear. With regard to a potential loss of control by the real Japanese authorities, I for one am not at all apprehensive. And that those authorities will embark upon a war in the southwestern Pacific in the event of and because of lack of success in a "negotiation" with the United States in the near future, I do not for one moment believe.—This method of approach, with an offer of a reward in one hand and a threat of a penalty in the other hand, which, incidentally, is a method not exclusively peculiar to the Japanese, needs always to be met with a calm and cold scrutiny of realities in the situation.

2. I would next call attention to the six points to which it is stated that Mr. Doe has given his "consent":

(1) Japan is to promise that if the United States becomes involved in hostilities with Germany Japan will take no military action against the United States.

Comment: Japan in the tripartite agreement practically promised Germany just the opposite of this. Mr. Doe's proposal is that Japan

⁷⁶ *Supra.*

go back on her promise to Germany and make us a promise the contrary thereof. Query: Should we accept and rely upon the promise made to us simultaneously with the breaking of a promise made to another country?

(2) President Roosevelt is to mediate between China and Japan on the basis of principles and provisions presumably to be put before him by the Japanese and to be regarded by him as "just and prudent".

Comment: Would it not be warranted and might it not be good strategy for us to ask that before we proceed any further with this matter Japan's proposals for "a just and prudent peace" be disclosed to the President or to the Secretary of State?

(3) Japan is to accept financial assistance from the United States in such character and amount as "would involve Japanese business in a substantial dependent alliance with the United States."

Comment: There may be such a thing as a controlling and a dependent relationship between the business interests of one country and those of another. Such a relationship, however, does not create and maintain a situation of political control on the one hand and political dependence on the other hand as between the two countries. Japan could easily accept and make use of substantial financial assistance from the United States and thereafter repudiate any and all promises both political and economic if, when and as she felt strong enough politically to do so.

(4) Japan is to "release" a "high percentage of Japanese merchant marine"—presumably to serve the policies and objectives of the United States.

Comment: Japan is at present embarrassed by a shortage of merchant tonnage. During the World War, when Japan was an ally of Great Britain, and after the United States had become an associate, Japan declined to make merchant tonnage available in support of her ally and associate until she was subjected to a substantial threat of what would have been an effective economic pressure. Question may be asked what tonnage Japan would be likely to be able to "release" and when and for what purposes it might be expected that release would be made of such tonnage.

(5) "Mutual pledge of Pacific peace and appropriate naval placements".

Comment: In the light of developments of the last 45 years, including the making and the breaking of pledges and the making of wars and of peace treaties, a pledge of Pacific peace will be of little value unless and until that pledge is signed not merely by Japan and the United States but by at least a half dozen powers which have substantial interests in the Pacific, among these being the United States, Great Britain, Japan, China, the Soviet Union, perhaps the Netherlands, perhaps France. So far as "appropriate naval placements" are concerned, the United States should determine and should execute its policies henceforth independently and without the restrictions of any treaty—until such time as it becomes apparent that other countries accept the principle that law and contracts are to prevail and that use of force in pursuit of policy is not to be resorted to.

(6) A conference to be held at Honolulu and to be opened by President Roosevelt.

Comment: With the world situation what it is, with the problems of this country both in the Atlantic and in the Pacific—and at home—what they are, with our relationship to Great Britain and our attitude toward China and Greece and other countries that are resisting aggression what they are, it may well be doubted whether a conference at Honolulu between representatives of the United States and of Japan would be likely to serve a useful purpose and whether a conference there between and among representatives of the several powers substantially interested in the Pacific would be feasible.

3. It is stated in the memorandum under reference that a new “short statement” is being drafted by the John Doe associates and that “the draft will be completed within a few days—and will be shown to us during the course of preparation”; that the Japanese desire to have their draft shown unofficially to Mr. Hull and to have an indication through a third party whether it would be acceptable or not in substance; that if it proves acceptable Admiral Nomura would present it immediately to Mr. Hull; that an announcement could then be made jointly that the United States and Japan are negotiating for establishment of peace in the Pacific.

Comment: This, I believe, the achievement of an announcement that the United States and Japan are negotiating, is what John Doe is especially driving toward. The effects of the making of such an announcement at this time would be those of a super-colossal political bombshell: tremendous repercussions in all directions. I can think of nothing that would produce immediately more of a shock—a shock which would not be to the advantage of this country and would not be to the advantage of Great Britain.

If by any chance the highest officials of this Government decide—which I hope and trust that they will not—to enter upon a negotiation with Japan, I suggest, recommend and urge that before letting that decision be final they confer with and let their position be known to the British and the Chinese Governments.

894.00/995 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, April 5, 1941—2 p. m.

217. The Department suggests that a conversation at this time with the principal official⁷⁷ mentioned in your telegram 123, January 27, 4 p. m., if feasible and in your discretion appropriate, might be productive of helpful information.

HULL

⁷⁷ Baron Hiranuma.

711.94/4-741

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] April 7, 1941.

Reference, John Doe paper handed to the Secretary on April 5, 1941.⁷⁸

This paper is obviously a fragment. It begins with Section II.

1. Regarding Section "II. Relations of Both Governments to the European War", the essence of the four paragraphs is a proposed Japan-United States "non-aggression" agreement. In effect, Japan is to affirm, without renouncing her obligations under the tripartite alliance, that Japan will not attack the United States unless the United States aggressively attacks Germany and/or Italy without either of those countries having committed an "act of war" against the United States; and the United States is to affirm that its relation to the European war is and will be determined "solely and exclusively by considerations of its own national welfare and security"; and the two powers are to affirm that "sharing precisely the same purposes and aims" each renounces any and all military groupings that "would lead automatically to aggressive attack upon any power which, acting independently as a sovereign nation, should find just cause for protective, military action against another state."

Comment: The content and the phrasing of these paragraphs indicates a desire on Japan's part simultaneously to remain a member of the tripartite alliance and to enjoy the benefit of having a pledge from the United States that the United States will refrain from war against any member of the tripartite alliance unless some member thereof commits an "act of war" against the United States: Japan is to promise not to make war on the United States, and the United States is to promise not to make war on Japan or Germany or Italy unless one of the three shall first have made war on the United States.

There might be virtue in a simple non-aggression pact with Japan and the United States as parties, were several other powers—especially China, Great Britain and the Netherlands—also parties to the same pact. Such a pact, however, limited to Japan and the United States, would be far more to Japan's advantage than to that of the United States; in fact, the conclusion of such a pact would be of little advantage and would be of much disadvantage to the United States. Unsatisfactory from that point of view, the present proposal is perhaps even more unsatisfactory from another point of

⁷⁸ Not printed; it was supplanted by document of April 9, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 398. That document was received through Postmaster General Walker, being left with the Secretary of State by Jesse M. Donaldson, Deputy First Assistant Postmaster General.

view. Formulated as it is to fit a situation in which Japan is a member of an alliance to the objectives of which the United States is utterly opposed, the provisions of this proposal are highly complicated and contain an extraordinary number and variety of qualifying words, phrases and clauses. For example: "aggressively attacked"; "no aggressive alliance"; "the unprovoked detriment of another"; "lead automatically to aggressive attack"; "find just cause for protective, defensive military action against another state". Each country to such an agreement does and would interpret such words and phrases according to its own lights and in favor of itself. Japan's record in such matters is not good.

Would it be possible for the United States to be a party to an official affirmation that Japan and the United States share "precisely the same purposes and aims"?

Would it be safe or profitable for the United States to enter into a non-aggression agreement, and especially an agreement on the basis of this complicated formula, with Japan while Japan is and expects to continue to be a member of the tripartite alliance?

2. Regarding Section "III. China Conflict":

Comment: It may be said that the suggestions which appear in this draft on the subject of mediation of the China conflict and the manner and terms thereof are by no means without merit. It must be remembered, however, that the Japanese-Chinese conflict, no matter what it was or was not in 1937, has become a part of a world conflict; the Japanese-Chinese conflict cannot be dealt with as an isolated phenomenon and without relation to other parts of the world conflict of which it is a part; the Japanese-Chinese conflict has spread over into areas outside of and beyond Japan and China, and it has raised and involves questions and problems connected with the use of the high seas, et cetera, et cetera. It is the belief of the undersigned that so long as and while Japan remains a member of the tripartite alliance, it would not be in the interest of the United States or in the interest of Great Britain that the Japanese-Chinese hostilities be brought to an end by any process which leaves Japan's military machine undefeated (undiscredited) and intact. Japan has sent her armies into China and is employing a part of her navy and a part of her merchant marine and a great part of her general resources in the supporting of that army there. What Japan now wants is to get a considerable part of that army out of China and to have her army, her navy, her merchant marine and her resources available for possible activities in some other direction (which might be against British interests or Dutch interests or even American interests—or Soviet interests). The world situation being what it is, the world conflict and its problems being what they are, Japan's present involve-

ment in China is to the advantage of the United States and Great Britain, and the United States (and Great Britain), if, when and as considering proposals for mediating between Japan and China toward producing a situation one consequence of which would be release of Japan from that involvement, should give intensively careful thought to the question what things Japan might be put in position to do were her release from that involvement effected. It may well be doubted whether any advantage to the United States (or to the world at large) would flow from a termination now of the Japanese-Chinese hostilities, a release now of Japan's armed forces and her resources from the burden of those hostilities, and the existence of a non-aggression pact between Japan and the United States—while Japan remains a member of the triple alliance and before Japan has decided to abandon the existing principles and objectives of her foreign policy and to accept, in part at least, the principles which animate the policies of those countries which place law above force and peace above national self-aggrandizement.

Query: In *pourparlers* between Japanese and Americans on the subject of Japan's peace feelers, might it not be practicable for Americans to indicate that before any negotiations can be entered into it will be necessary for Japan to give some concrete evidence that her thought has turned toward peace, and to suggest that one practically possible such manifestation might be that Japan cease all bombings from the air and all launching of new offensive operations by her land and sea forces in and against China?

3. In regard to Section "IV. Naval and Mercantile Relations in the Pacific", it would appear that the proposers envisage a cooperative American-Japanese control of the Pacific Ocean and maintenance of peace therein. With regard to item "c", query arises whether they envisage assistance to the United States, in the field of shipping tonnage, for delivery of supplies from the United States to Great Britain. On the whole subject, they look forward to details being worked out at the proposed conference at Honolulu.

4. In regard to Section "V. Commerce between Both Nations", the proposers envisage conclusion of a new commercial treaty between the United States and Japan "if desired by both governments, which might be formulated at the proposed conference at Honolulu"; and they envisage extension by the United States to Japan of a gold credit directed toward "betterment of Far Eastern economic conditions" and toward "sustained economic cooperation of the Governments of the United States and Japan."

Query: In *pourparlers*, et cetera, might it not be practicable for Americans to indicate to Japanese that for the existence of mutually satisfactory and mutually profitable trade relations, it is necessary

that there be mutually acceptable and reciprocally dependable political practices; and might it not be suggested that, if, when and as the United States extends financial assistance for activities in the Far East, the United States will expect to extend such assistance for purposes of legitimate constructive developments by free peoples within free areas, but not for any type of exploitation of any area by the people of any other area. —It is believed desirable that we in this country, whenever we think of ultimate financial assistance to Japan, should think of similar assistance in equal or greater amounts to China.

5. In regard to Section "VI" (which carries no subtitle), this carries a unilateral expression of desire by Japan to share "equal economic opportunity with the United States in" the markets of the southwestern Pacific, and a request that the American Government assist the Japanese Government to obtain for Japan's citizens a type of opportunity which has never been denied to them.

6. In regard to Section "VII. Political Stabilization of the Far East", the provisions suggested carry further the concept of American-Japanese control of the Pacific Ocean, and they introduce a suggestion that the United States assist Japan in achieving "removal of Hong Kong and Singapore as doorways to further political encroachment by the British in the Far East."

By way of comment, it may be remarked that, as set up, the provisions of this section, if adopted, would tend to stabilize the political situation in the Far East, but in a manner involving far more of benefit to Japan than to the United States; they would, if lived up to, mark the end of Japan's program of expansion by force; they would give Japan a guarantee against aggression by European powers; and they would tend toward elimination of effective European political influence in the western Pacific.

Query: Although Hong Kong and Singapore may in the past have been "doorways to political encroachment by Great Britain in the Far East", are not those two points now barriers against or obstacles to successful aggression by Japan in the Far East? Should the United States—and if so, why should it—assist the Japanese toward prying Great Britain out of Hong Kong and Singapore?

7. In regard to the unnumbered section entitled "Conference", it should be noted that the proposers envisage a conference to be held at Honolulu, possibly as early as May 1941, to be opened by President Roosevelt and Prince Konoye, for the purpose of drafting further agreements, on the basis of "the pre-arranged agenda"—to be "determined upon by mutual agreement between both governments".

By way of comment, query may be raised whether this suggestion is in any way politically practicable.

[STANLEY K. HORNBECK]

711.94/2066‡

Memorandum of Conversation, by Mr. Joseph W. Ballantine

[WASHINGTON,] April 7, 1941.

I called by appointment on Father Drought this afternoon. He told me that the situation had changed since he saw me in New York; that his Japanese friends were now working with the Japanese Ambassador; that the Japanese Ambassador would probably have ready by the evening of April 8 a draft proposal, which Father Drought would probably have an opportunity to see; and that before presenting the proposals officially the Japanese would want some intimation that the Japanese proposals would be substantially acceptable to this Government. He explained that following such intimation the Cabinet would act on the proposals and instruct Nomura to present them and that it was desired to act on this matter prior to Matsuoka's reaching Tokyo, as it was feared that otherwise Matsuoka upon his return would create difficulties. Father Drought added that the Japanese Army and Navy were behind the proposals and that the only difficulties so far encountered were from the Japanese Foreign Office. If prompt action should be taken Matsuoka would be confronted with an accomplished fact and he would have to either go along with it or resign. Another course that might be followed would be to supersede Matsuoka prior to his return from Europe, but the Japanese would prefer to avoid such an alternative.

Father Drought told me that the Japanese were so fearful of a premature leak, which might lead to their assassination, that they would not be likely to discuss the plan with me at all, either now or at any time prior to Nomura's presenting it officially. I replied that in any case my call on the Japanese today, as far as I was concerned, would be purely social.

Father Drought then telephoned to Wikawa and asked him to come in. Wikawa was very effusive in his greeting and congratulated me upon my appointment as Counselor at Peiping, of which he said he had learned from the Ambassador. Wikawa then took me to his quarters and introduced me to Colonel Iwakuro. Nishiyama, the Japanese Financial Attaché, was also present. Nishiyama appeared to have been drinking.

Colonel Iwakuro appeared to be a person of between forty and forty-five years of age. He has an attractive and vigorous personality. He did most of the talking. After a considerable amount of small talk, the Colonel abruptly remarked that he thought that a war between Japan and the United States would be a calamity, that it would be a prolonged affair lasting from three to five years, and that it would result in lowering of standards of living. I said that war nowadays

is not profitable economically even to the victors. Iwakuro went on to say that he had been impressed during his trip across this country with the abundance which our people enjoyed of everything; he felt it was incumbent upon the capitalist class of the United States to make sacrifices so that peoples of other countries would have opportunity to improve their standards of living. I said that we would ourselves benefit from the improvement of standards of living elsewhere. At the same time I said that the American people could not be sympathetic with efforts by one nation to better itself at the expense of some other nation. This evoked protestations that Japan was not trying to subjugate and dominate China or close doors in China to third countries, except as necessitated temporarily by military exigencies. I asked how about Japan's ousting of foreign commercial interests in Manchuria. Nishiyama admitted that the Japanese had made mistakes and had learned that the petroleum monopoly was a mistake. I pointed out the inconsistency between assertions that Japan intended to respect the principle of the open door and the economic bloc idea underlying the so-called "co-prosperity sphere in East Asia" which the Japanese are advocating. Iwakuro said that this was an idea which had been born out of developments elsewhere, such as the Ottawa Conference,⁷⁹ but he agreed that Japan would stand to gain more from the adoption of the principle of equality of commercial opportunity than by the adoption of the bloc idea.

The above conversation was carried on in Japanese and on an amicable plane. The Japanese did not bring up the subject of their mission.

894.00/1019 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Токүо, April 7, 1941—7 p. m.

[Received April 7—12: 55 p. m.]

517. The Department's 217, April 5, 2 p. m.

1. Since his return to Tokyo on February 7, Dooman has had two meetings with Fujii, the confidant of the personage under reference. With my approval Dooman asked Fujii to convey to his principal an oral statement substantially along the lines of the statement which Dooman made to the Vice Minister for Foreign Affairs (please see Embassy's 230, February 14, 8 p. m.). At the second meeting on March 13, Fujii communicated a message from his principal to the following effect: He (the principal) had been alarmed over reports predicting the taking by the United States in the immediate future

⁷⁹ Imperial Economic Conference held at Ottawa in 1932. For texts of agreements, see *British and Foreign State Papers*, vol. cxxxv, pp. 161 ff.

of drastic action against Japan; he appreciated the receipt of our analysis of the situation; and he felt confident that restraints could be imposed sufficiently to prevent there arising a condition which would cause the United States to resort for reasons of national security to drastic measures against Japan.⁸⁰ The message concluded with an invitation to communicate to him through the same channel further information as occasion offered.

2. The Department will undoubtedly have noticed from press despatches and from Embassy's telegrams that the political situation in this country is undergoing changes and that the personage under reference is coming increasingly to the front. I do not believe that he could afford to run the risks which an interview at this time, as suggested, would entail. Further comment is presented in the Embassy's 518, April 7, 8 p. m., immediately following.

GREW

894.00/1020 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, April 7, 1941—8 p. m.

[Received April 7—2:20 p. m.]

518. Embassy's 517, April 7, 7 p. m.

1. We have not been neglecting the quiet dissemination of information and opinions among those Japanese who may be in a position actually or potentially to affect national policies. Although I have not been reporting the various occasions on which we have preached sound doctrine, a day rarely passes without our having been in contact for this purpose with one or more substantial Japanese. These interviews, along with information and views conveyed to persons in high position, are having a helpful effect which is now becoming perceptible. I need not enlarge in this connection on the contrast between the attitude of the country and the atmosphere which prevailed a few weeks ago and Japan's attitude today. The changes should, of course, be attributed largely to the complete failure of the expectation that conclusion by Japan of an alliance with Germany would intimidate the United States into stark isolation, but I believe that we are being of considerable help to those rational elements which are cautiously exploiting the opportunity to recover some share in the reshaping of national policies. The increasing influence of those with whom we

⁸⁰ For the information of the Secretary of State, the Adviser on Political Relations (Hornbeck) on April 21 drafted a memorandum in which he invited attention to Mr. Fujii's statement that "he felt confident that restraints could be imposed sufficiently to prevent there arising a condition which would cause the United States to resort for reasons of national security to drastic measures against Japan." The memorandum was read by the Secretary on April 24.

are in contact, including the personage referred to in our 123, January 27, 4 p. m., is gratifying.

2. I should like to make contact with Prince Konoye while he is acting Minister for Foreign Affairs and am planning to ask for an appointment some day toward the end of next week before Matsuoka returns about April 20. I would avoid giving any impression of taking initiative in the way of presenting proposal. The ostensible purpose of my visit would be to review the several conversations which Admiral Nomura has had with our Government in Washington, but I would expect to use the opportunity to present to the Prime Minister our general position with regard to developments in the Far East, especially with regard to Japan's southward advance. I have sufficient material to make a forcible presentation but would be glad to receive by wire any further suggestions or instructions which the Department might wish to give me.

GREW

711.94/4-841

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] April 8, 1941.

The John Doe associates claim that they are speaking for and they are able to deliver a commitment of Army and Navy authorities in Japan.

If their claim squares with fact, the Japanese authorities to whom they refer should be able to exercise control over the movements of the Japanese Army and the Japanese Navy.

If those authorities are able to do that, they should be able to give a commitment that the Japanese Army and Navy will for a specified period or for an indefinite period desist and/or refrain from activities inconsistent with the representations which the John Doe associates are making regarding Japan's desires and intentions, for the future, in the field of policy.

In as much as the John Doe associates are pressing us to enter upon a discussion with them of a possible agreement by the terms of which, if concluded, Japan would desist and/or refrain from aggressive activities in the Far East, might it not be practicable for us to say to them that we are prepared to enter into an informal preliminary agreement for the creation of a situation which would warrant entering upon discussions such as they suggest, as follows:

I.

1. The Japanese Government to give its word that, beginning forthwith, the Japanese armed forces (that is, Army, Navy and Air

forces) will desist and/or refrain from any further offensive moves in the Far East or any other theater for such period as may be required for discovering, by processes of discussion, whether there exists the basis for a negotiation; and, if a negotiation is entered upon, will continue to refrain from further offensive action during the period of the negotiation and, in the light of what may by that process be agreed upon, thereafter.

2. In the spirit of reciprocity, the United States Government to give its word that so long as the above pledge by the Japanese Government is in effect and is lived up to, the armed forces of the United States (that is, the Army, the Navy and the Air forces) will make no offensive move against Japan.

3. The two Governments to promise, reciprocally, that neither country will make an armed attack upon the other or upon possessions or interests of the other without due notice in the form of a declaration of war by the highest authorities given at least 24 hours in advance of the striking of the first blow.

II.

The Japanese Embassy and the Department of State to undertake that, as soon as the above shall have been agreed upon, each will nominate one qualified person, acceptable to both, and to authorize its nominee to enter upon discussion with the nominee of the other party for the purpose of discovering, by processes of discussion, what it may be possible to agree upon as a basis for a negotiation.

894.00/1022 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Тоkyo, April 9, 1941—8 p. m.

[Received April 9—1:50 p. m.]

525. Tonight's vernaculars report Baron Hiranuma's address to the Conference of Prefectural Governors today. After commenting on Japan's progress in establishing the East Asia Co-prosperity Sphere, mentioning specifically the China-Manchuria-Japan treaty⁸² and mediation of the Thailand-Indochina dispute, the Baron pointed out China's continued resistance and British-American efforts to blockade Japan economically and increase aid to Chiang Kai-shek. He is quoted:

⁸² Outgrowth of declaration signed at Nanking, November 30, 1940, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 122.

"A situation is developing in which a new grave crisis may break out in East Asia at any time. Japan faces the greatest difficulties of her entire history, but it is her mission to effect construction of a new world order and permanent peace in East Asia."

GREW

711.94/2066‡

*Father James M. Drought, of New York, to the Secretary of State*⁸³

AXIS

U. S. The Government of Japan maintains that the purpose of the Tri-Partite Pact was and is defensive and designed to contribute to the prevention of a non-provoked extension of the European War.

U. S. The Government of the United States maintains that its attitude toward the European hostilities is, and will continue to be, determined solely and exclusively by considerations of protection and self-defense; national security and the defense thereof.

Japan Both Governments maintain that it is their common aim to encourage, by example and by act, peace through justice throughout the world.

U. S. Both Governments affirm that no agreement which either has concluded with any third power or powers shall be interpreted by it in such a way as to conflict with the fundamental purpose of disagreement [*this agreement?*], namely, the establishment and preservation of peace throughout the Pacific area.

CHINA PEACE TERMS

U. S. Neighborly friendship.

U. S. Respect for sovereignty and territorial integrity.

U. S. No annexations.

U. S. No indemnities.

New In accordance with the principle of independent sovereignty, the fusion, freely established, of a united government in China.

U. S. Mutual respect for the inherent characteristics of each nation cooperating as good neighbors and forming an East Asian nucleus contributing to world peace.

U. S. Withdrawal of Japanese troops from China upon the resumption of peaceful relations and within a period of two years.

Japan Cooperation between Japan and China for the purposes of (a) preventing Communistic activities which may constitute a men-

⁸³ Notation on file copy: "Document handed to the Secretary of State by Father Drought on or about April 9, 1941."

ace to the security of both countries; (b) maintaining for a limited required duration public order and safety in specified areas (*New*) restricted to North China and Inner Mongolia, in accordance with a separate agreement between Japan and China.

New Economic cooperation based upon geographical propinquity to be established by peaceful means and carried on without restriction of the legitimate interests of third powers.

Japan Recognition of Manchoukuo.

ECONOMICS

U. S. Both Governments pledge themselves that their activities in the Pacific area shall be carried on by peaceful means and in conformity with the principle of non-discrimination in international commercial relations.

U. S. In pursuance of this policy, the Japanese Government and the Government of the United States agreed to cooperate each with the other toward the creation of conditions of international trade and international investment under which Japan and the United States will have a reasonable opportunity to secure through the trade process the means of acquiring those goods and commodities which each country needs for the safeguarding and development of its own economy.

U. S. Both Governments will cooperate amicably for the conclusion and execution of agreements between themselves and with the other powers concerned for the production and supply, on the basis of non-discrimination, of such commodities as oil, rubber, nickel and tin and any other commodity which is essential to each country for the maintenance of its economic life.

U. S. Both Governments will agree upon a plan for the stabilization of the dollar—yen rate, with the allocation of funds adequate for this purpose, half to be supplied by Japan and half by the United States.

POLITICAL STABILIZATION

U. S. Both Governments declare that the controlling policy underlying this understanding is peace in the Pacific area; that it is their fundamental purpose, through cooperative effort, to contribute to the maintenance and the preservation of peace in the Pacific area; and that neither has territorial designs in the area mentioned.

Japan Both Governments, taking cognizance of the fact that it is a matter of vital importance to stabilize promptly the situation in the Southwestern Pacific area, undertake not to resort to any measures and actions which may jeopardize such stabilization.

Japan The Government of Japan will not make any armed advancement, using French Indo-China as a base, to any adjacent areas thereof (excluding China), and, upon the establishment of an equitable peace in the Pacific area, will withdraw its troops which are now stationed in French Indo-China.

Japan The Government of the United States will alleviate its military measures in the Southwestern Pacific area.

Japan Both Governments declare that they respect the sovereignty and territorial integrity of Thailand and the Netherland East Indies, and that they are prepared to conclude an agreement concerning the neutralization of the Philippine Islands when its independence will have been achieved.

Japan The Japanese Government undertake to respect the territorial sovereignty of French Indo-China. The Japanese forces at present stationed there will be withdrawn as soon as the China Affair is settled or an equitable peace is established in East Asia.

Japan The Government of the United States will guarantee the non-discriminatory treatment of the Japanese nationals in the Philippine Islands.

ARTICLE III OF UNDERSTANDING

Japan Both Governments, taking cognizance of the fact that the settlement of the China conflict has a vital bearing upon the peace of the entire Pacific area and consequently upon that of the world, will endeavor to expedite a rapid realization of an equitable settlement.

U. S. The Japanese Government having communicated to the Government of the United States the general terms within the framework of which the Japanese Government will propose the negotiation of a peaceful settlement with the Chinese Government to be in harmony with the Kono principles regarding neighborly friendship and mutual respect of sovereignties and territories and with the practical application of those principles, the President of the United States will suggest that both Governments enter into a negotiation on a basis mutually advantageous and acceptable for a termination of hostilities and a resumption of peaceful relations.

Japan Upon the initiation of such negotiation, the Government of the United States will refrain from any measure and action which might hamper the efforts directed toward a peaceful settlement of the China conflict.

(There is appended a draft of the basic terms for peace between Japan and China ⁸⁴)

⁸⁴ See section III of document printed in *Foreign Relations, Japan, 1931-1941*, vol. II, p. 423.

CHAPTER II: APRIL 10-JUNE 22, 1941

Beginning of informal discussion between Secretary Hull and Ambassador Nomura of "proposal" of April 9; continuation of informal conversations on receipt of Japanese official draft text from Ambassador Nomura (May 12); Ambassador Grew's recommendation to negotiate (May 27); exchange of further draft documents between Secretary Hull and Ambassador Nomura (May 31)

711.94/2066½

*Memorandum Prepared for the Secretary of State*⁸⁵

[WASHINGTON, April 10, 1941.]

I

The outline of proposals presented on April 9^{85a} by John Doe on behalf of his associates is in a number of respects less promising from point of view of the principles and policies of the United States than previous drafts. To illustrate:

(a) Previous drafts displayed much more of a multilateral attitude than does the present proposal, which relates almost exclusively to arrangements affecting primarily two countries, the United States and Japan. The elimination of emphasis on multilateral rights and interests affords distinctly less promise that rights and interests of all the various nations concerned in the Pacific area would be respected.

(b) The statement in the present proposal as to Japan's relationship to the tripartite alliance shows less willingness on Japan's part than is shown in previous drafts to divorce itself in fact from the alliance. In fact, the wording of the present proposal on this point does not go beyond what Japanese leaders have affirmed publicly on many occasions.

(c) The present proposal, in the section describing possible peace terms between China and Japan, contains those words of ominous connotation "joint defense against communist activities". In previous drafts there was expressed provision that the Chinese Government would itself assume responsibility for suppression of communistic activities within Chinese territory. The wording of the present proposal would permit Japan to demand, as it has consistently demanded for at least five years, the right to station Japanese troops in China for the purpose indicated. With such a provision, the present proposal with regard to a settlement of the conflict between China and Japan represents no recession in fact from the terms embodied in the treaty between Japan and the Wang Ching-wei regime.

(d) Under section numbered IV, "Naval, aerial and Mercantile Marine relations in the Pacific", subsection (a), there is a provision which recalls vividly something that the Japanese Government has been striving for for years, namely, that a line be drawn in the Pacific

⁸⁵ Notation on file copy: "Memorandum of comment by FE on proposals presented on April 9, 1941, by 'John Doe'."

^{85a} *Foreign Relations, Japan, 1931-1941*, vol. II, p. 398.

Ocean at the 180th meridian, that that part of the ocean lying eastward of that line be regarded as the sphere of the United States Navy, and that that part lying westward of that line be regarded as the sphere of the Japanese Navy.

(e) In the same section numbered IV, subsection (c), there is an extremely equivocal provision for the release to the United States of a certain percentage of Japanese merchant tonnage. Previous drafts, on the contrary, contain express provision for release of Japanese merchant tonnage for the carrying of supplies to Great Britain.

(f) Previous drafts contain definite provision for stopping Japan's trade with Germany. The present draft contains no such provision.

II

The comment made by Mr. Hornbeck in his memorandum of April 7 describes succinctly the fundamental question presented. For convenience of reference, that comment is repeated, as follows:

[Here follows quotation of comment in paragraph numbered 2, "Regarding Section 'III. China Conflict'", printed on page 124.]

III

It is suggested that you ask the Japanese Ambassador to call; that you tell him that you understand that he has been collaborating to some extent with some of his nationals in preparation of proposals directed toward the improvement of relations between the United States and Japan; that in reference to this whole question of relations between our two countries there are, in the opinion of this Government, certain fundamental questions which present themselves for consideration. It is suggested that you then raise with the Ambassador questions along the lines set forth in the attached statement.

It is believed that you should decline *at this stage* to be drawn into discussion of the John Doe proposals as such or of particular aspects of those proposals.

[Annex]

One. The Question of Respect for the Rights of Other Nations.

In the opinion of this Government no system of order can be built up in any society without respect for the rights of other nations. An orderly system in the international community cannot be created unless nations abstain from the use of force in the pursuit of national policy and avoid interference in the internal affairs of other nations. Essential to this program is the settlement of disputes between nations by peaceful processes of negotiation.

Question is raised as to the attitude of the Japanese Government on this point.

Two. Performance by Nations of Established Obligations and Observance of International Agreements.

In the opinion of this Government no system of order can be built up in any society except on the basis of performance by nations of established obligations and observance of international agreements. It is of course recognized that agreements may be modified and existing situations changed, when there is need therefor, by orderly processes of negotiation and fair dealing between nations and in accordance with the generally accepted principles of international law.

Question is raised as to the attitude of the Japanese Government on this point.

Three. *Reduction of Armaments.*

This Government recognizes the necessity of maintaining armed forces adequate for national self-defense. It is at the same time committed to a program directed toward reduction through international agreement of armaments in proportion to reductions or increases made by other countries.

Question is raised as to the attitude of the Japanese Government on this point.

Four. *Effective Equality of Treatment.*

This Government believes in the establishment of effective quality of treatment so that all nations may share in the opportunities and advantages which are needful for peaceful and full development of national life. Equality of treatment means juridical equality, and full and fair equality among states in political, in cultural, and in economic matters as well. Equality of treatment applied in cultural matters will make possible access by all peoples to that which is best in civilization upon the widest possible basis. Equality of treatment applied in economic matters will make possible access to raw materials and to other essential commodities so that they may be enjoyed by all.

This Government is convinced that sound economic relationships between states are indispensable in the development of an equitable and lasting world system. Such relationships can best be promoted, this Government believes, by the application to the widest extent of the principle of equality of commercial treatment and by the maximum liberalization of the principle of nondiscrimination in trade. The natural result of the attempt by one country to except particular areas from the application of these principles is the setting up of claims by other countries in turn for the exception of other areas and the creation of a series of regional, economic blocs based upon preferences and discriminations. The individual states within such blocs thus lose the advantages of supplying to a wide range of markets those goods which individual states can produce most efficiently, and they likewise lose the benefit of obtaining needed materials from the least expensive sources.

At present there are areas of the world which are impoverished, where standards of living are low, and where productive capacity is limited. By a policy of force it might, of course, be possible for one nation to denude occupied territories of existing forms of natural and other wealth. Once this wealth has been gathered, however, there would be no substantial basis remaining on which to build for future and general economic well-being and progress. On the other hand, if the nations cooperate toward utilizing all available resources of capital, technical skills, and progressive economic leadership for the purpose of building up not only their own economies but also the economy of such undeveloped territories, this Government believes that the result will be to increase manyfold the purchasing power of the peoples of the world, to raise the standards of living of the inhabitants of such territories, to create conditions conducive to maintenance of peace, and to bring about far-reaching advantages of a lasting character to all those concerned.

Question is raised as to the attitude of the Japanese Government on this point.

Five. *Cooperation with Other Nations by Peaceful and Practicable Means.*

This Government avoids entering into alliances or entangling commitments, but believes in cooperative effort with other nations by peaceful and practicable means.

Question is raised as to the attitude of the Japanese Government on this point.

As illustrative of the manner in which this Government has given practical application to these fundamental principles, reference is made to the relations which have been developed among the American Republics. The principles mentioned were specifically affirmed by the United States and all other American Republics in the Declaration of American Principles of December 24, 1938, agreed upon at Lima, Peru. That Declaration reads as follows:

[Here follows text printed in Department of State, *Press Releases*, December 31, 1938, page 494.]

At intervals during the past fifty years, conferences of the American states have been held at which problems of mutual interest have been discussed on a basis of equality, each state having a full, free and equal voice. A network of treaties and agreements has resulted providing for the peaceful settlement of disputes and making possible cooperation and consultation in political, social, cultural, economic, financial, and legal matters. Provision has been made for meetings of the Foreign Ministers of all the American states, and permanent committees have been instituted to deal with economic and financial questions and matters relating to neutrality.

The principles to which practical and concrete expression has been given in the relations between the United States and the other American Republics are based upon respect for existing sovereignties. These principles have at no time involved a policy of aggression. Under these principles the United States has not asserted or sought to establish political supremacy within this hemisphere and it has not assumed the right to enjoy exclusive or preferential advantages of an economic or commercial nature within this hemisphere. The title to or control by non-American powers of their possessions in this hemisphere has never been questioned.

The Government of the United States is convinced that the principles which have been and are being given practical application in relations between the American Republics are applicable to all areas of the world, including the Pacific area, and that adherence to and application of these principles furnishes the only sound basis for peaceful, healthy and enduring international relations.

894.00/1020 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, April 10, 1941—7 p. m.

223. It is suggested that among the materials which might be advantageously used in connection with the matter discussed in numbered paragraph 2 of your 518, April 7, 8 p. m., there might be included in your discretion comments along the lines of those contained in the second paragraph of the Department's instruction to you no. 2145 of March 15.

You might say that in your opinion pending questions between Japan and the United States should be susceptible of adjustment without armed clash, but that the obvious first step in this direction would be for Japan to act in such a way as would tend to dispel doubts in regard to her attitude and intentions.

It is suggested that you emphasize especially that this Government is confident in its belief that Germany will be defeated and that this Government is making its calculations accordingly.

You might also find useful material in the Department's telegram to you no. 163 of March 11, 7 p. m., and in the enclosures to the Department's instructions no. 2125 of February 25 and no. 2128 of March 4.⁸⁶

HULL

⁸⁶ Instructions and enclosures not printed, except memorandum of February 25 by the Assistant Chief of the Division of Far Eastern Affairs, p. 49; the other enclosures were memoranda of conversations with private Japanese callers at the Department.

894.00/1026 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, April 10, 1941—midnight.

[Received April 10—2:53 p. m.]

536. (a) Contrary to general belief the position of the Prime Minister is secure. Baron Hiranuma, whom our informant⁸⁷ had just seen, had given our informant clearly to understand that he, along with general Yanagawa, now Minister of Justice, had been brought into the Cabinet for only one purpose and that was to help Prince Konoye to attain a position where the latter could effectively control the radical elements in the Army and elsewhere in the Government and that recent changes in the Cabinet reflect that purpose. The Minister of War is loyally cooperating with Baron Hiranuma to support Prince Konoye and is getting the Army extremists well in hand. These extremists had held up the appointment of General Yanagawa, a strong anti-German, as Minister of Justice, and it was due to General Tojo that this opposition was overcome.

(b) Matsuoka was unable to obtain anything tangible during his visits to Berlin and Rome and it is unlikely that he will procure anything at Moscow, as it is unthinkable that Japan would pay the high price demanded by Russia for a political agreement with Japan.

(c) Some indication of a change of attitude [on the part of?] Japan will be given shortly, probably during the month of May.

2. A series of articles by our informant being currently published in a Tokyo paper is receiving wider attention. The burden of these articles is that so long as Japan pursues her present policies she cannot expect American cooperation. They are being translated and will go forward in the next pouch.⁸⁸

GREW

794.00/249 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, April 10, 1941—[midnight?]

[Received April 10—11 a. m.]

537. Foreign Vice Minister Ohashi's review of Japan's foreign relations made to the conference of prefectural governors today is summarized from the *Asahi* account:

1. In the first instance [*in spite of?*] commodity shortages and friction with the Communist Party the Chungking Government, relying

⁸⁷ Tetsuma Hashimoto, who had returned from a recent visit to Washington.

⁸⁸ Despatch No. 5542, April 24, not printed.

on Britain and the United States, will continue to resist Japan. American aid to Chiang can be expected to increase on the basis of Currie's report to the President.⁸⁹ Japan must be resolved to long term endurance.

2. Satisfactory conclusion of all matters relating to the Thailand-Indochina mediation conference is expected shortly.

3. Negotiations are in progress with the Soviet Union looking toward conclusion of a fisheries treaty and a commercial agreement. Both parties are practically in accord and results may soon be forthcoming.

4. The Balkan hostilities brought by third countries' instigation of Yugoslavia will speedily and effectively be solved by German action.

5. Possible use of American war ships to convoy shipments to Britain under the Lease-Lend Bill is a matter of deep concern to Japan.

6. Economic negotiations with French Indochina have progressed smoothly and will be shortly concluded. On the contrary the Netherlands East Indies Government has clung to abstractions and the Japanese-Dutch parleys have struck stormy waters.

7. British-American economic pressure on Japan continues to increase with future development difficult to foretell. On the other hand Matsuoka's European visit has strengthened relations with Germany and Italy. The Tripartite Pact is the axis of Japan's diplomacy and although many difficulties lie ahead the nation must avoid the lure of immediate advantage and proceed unflinchingly.

8. Japan entering a world crisis of extreme gravity has two advantages: an indivisible nation and protected geographical position. Japan's great strength guarding the Pacific is a spectacle to the world and future glory awaits us as we face growing difficulties.

9. It is said that a feeling of hate toward foreigners indicating a narrow-minded people has developed among certain Japanese. Leaving aside questions of their exclusion and control, decent foreigners of whatever nationality must always be protected. Persecution of foreigners living within Japanese jurisdiction is not permitted by the spirit of Bushido and is deplorable in a great nation. I admonish the police to be polite and to avoid arousing unnecessary antagonism when they find it necessary to investigate foreigners.

GREW

⁸⁹ March 15, p. 81. See also memorandum by Mr. Joseph M. Jones on April 14, vol. v, p. 622.

711.94/4-1141

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] April 11, 1941.

In dictating this draft,⁹⁰ I have tried to include as much of what is proposed in the John Doe draft as it would be possible, in my opinion, for this Government to agree to.

I regard this draft as a rough outline and a not complete setting forth of our position. The Japanese draftsmen have had months in which to prepare their draft. I have had only a few hours in which to dictate this possible "counter-draft".

I feel that it is not necessary to present any draft to the Japanese in the immediate future, that is, before Mr. Matsuoka is well on his way toward Japan.

If and when a draft is presented to the Japanese, it would be well, in my opinion, for us to include in such draft less than we would be willing to agree to, that is, less than appears in my draft now under reference. The Japanese have put into their draft a good deal more than they expect to agree to. We, if we give them a draft, should put ourselves in a position for bargaining.

My view of the problem which now confronts us is substantially this: Nothing that might be agreed upon between the American and the Japanese Governments within the next few days or weeks will substantially alter the world situation in its material aspects; a negotiation between Japan and the United States might have some effect as regards deliberation and discussion between and among the various Japanese factions, but it would not enable any group not now in control of Japan's affairs to oust those who are in control and gain control for itself; the decision of Japanese leaders whether to move or not to move southward will be made in the light of the physical situation in Europe as they view it and the physical situation in the Pacific as they view it; negotiations of any sort between would-be aggressors and persons or groups who wish to exercise a restraining influence are of greater advantage to the former than to the latter, by virtue of the fact that in the process of a negotiation the would-be aggressor gains information regarding what is or is not in the hands and in the minds of those whom he is seeking to outwit or to defeat; it is utterly desirable that, in our relations and our contacts with the Japanese at this time, we should avoid giving any indication of other than a firm attitude and firm intention on our part, we should do all that we can toward giving them an impression that we are both pre-

⁹⁰ The annex to this document.

pared and expecting to oppose by force any further moves southward if attempted by them.

Reference is respectfully made to the text of a telegram which we sent to London a few days ago.

It is believed desirable and it is suggested that, if and before we enter upon anything approximating a negotiation with the Japanese, we inform the British Government of the problem which confronts us and our intention in regard thereto.

[Annex]

[WASHINGTON,] April 11, 1941.

In regard to the John Doe associates

Reference, draft left with the Secretary by *D*⁹¹ on April 9, 1941.⁹²

A tentative outline of a possible counter-proposal indicative of what the United States might advisedly agree to. [This is based on and follows the set-up, as to form, of the draft submitted by *D*.]⁹³

I. *Concepts of the United States and of Japan regarding international relations and the character of nations.*

Both Governments affirm that their national policies are directed toward the foundation of a lasting peace and the inauguration of a new era of reciprocal respect for rights and obligations, reciprocal confidence, and cooperation on the part of and among all peoples.

Both Governments declare that it is their concept and conviction that nations and races are all members of a world family; that each should enjoy rights and admit and accept and fulfill obligations with a community of objectives and purposes regulated by peaceful processes and directed to the pursuit of moral and physical welfare, individual and collective, which it is their right and duty to defend for themselves and not to destroy for others.

Both Governments expect and intend to be guided by these concepts and principles.

II. *The attitudes of the United States and of Japan toward the European war.*

The Government of Japan declares that the purpose of its Axis Alliance was and is defensive and is designed to prevent extension of military grouping among nations not already engaged in the European hostilities, and⁹⁴ [The Government of Japan]⁹⁵ declares that its

⁹¹ Father Drought.

⁹² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 398.

⁹³ Brackets appear in the file copy.

⁹⁴ Word inserted in ink.

⁹⁵ Brackets in ink, apparently to indicate deletion.

military obligation under the Axis Alliance comes into force only if and when one of the parties of the alliance is aggressively attacked by a power not at present involved in the European hostilities.

The Government of the United States declares that its attitude toward the European hostilities is and will continue to be determined solely and exclusively by considerations of its national security and the defense thereof.

III. *China affairs.*

When this agreement is concluded and both Governments have committed themselves to its provisions, the President of the United States will suggest to the Government of Japan and the Government of China that those Governments enter into a negotiation for a termination of hostilities and resumption of peaceful relations on a basis as follows:

- a. The independence and sovereignty of China to be respected.
- b. Japanese troops to be withdrawn from Chinese territory in accordance with a schedule to be agreed upon.
- c. No cession, leasing or military occupation of Chinese territory.
- d. No imposition of indemnities.
- e. Resumption of the "open door" on a basis of equality of opportunity in terms of and with conditions of fair treatment for all concerned.⁹⁶
- f. No large-scale or concentrated emigration of Japanese into Chinese territory.

With the acceptance by the Japanese and the Chinese Governments of this suggestion, the two Governments shall be expected to begin direct negotiations.

The negotiations shall be conducted on a basis of legal equality and with resort to no form of duress.

[Up to such time as the Japanese and the Chinese Governments shall have accepted this proposal, the United States will expect to conduct its relations with both of those countries in accordance with its own estimate of the requirements of its national security and self-defense.]⁹⁷

IV. *Naval, aerial, and mercantile marine relations in the Pacific.*

a. Both Governments declare and they pledge to each other that their naval and aerial forces are not to be used for any purpose of disturbing or altering the *status quo* in the Pacific.

b. The Japanese Government will, if desired, use its good offices toward release for contract by Americans of a percentage which may be practicable of Japan's total tonnage of merchant vessels as soon as such vessels can be released from their present commitments.

⁹⁶ Three last words added in ink.

⁹⁷ Brackets in ink, apparently to indicate deletion.

V. Commerce and financial cooperation.

The two Governments agree that each shall permit export to the other of commodities in amounts up to the figures of pre-war trade, except, in the case of each, commodities which it needs for its own purposes of security and self-defense. The two Governments shall as soon as world conditions warrant conclude a new treaty of navigation and commerce.

As soon as a treaty of peace shall have been concluded between Japan and China, the United States will sympathetically consider, if presented, requests from Japanese and Chinese sources approved by their respective Governments, for gold credits for the purpose of fostering constructive enterprises, industrial developments and trade directed to the betterment of Far Eastern economic conditions and to sustained economic cooperation among the countries of the Pacific.

VI. Economic activity in the southwestern Pacific area.

On the basis of a pledge by the Japanese Government that Japanese activities in relations with other countries in the Pacific shall be carried on by peaceful means and without resort to arms, the American Government will cooperate with the Japanese Government toward and will give support to Japanese efforts toward production and procurement of supplies of raw materials, et cetera, which Japan needs.

VII. Policies of the two nations affecting political stabilization in the Pacific.

a. The Governments of the United States and of Japan will not assent to future transfers of territory for relegation of existing states within the Far East and in the southwestern Pacific area under conditions of duress to any power.

b. The Governments of the United States and of Japan jointly guarantee the independence of the Philippine Islands and will cooperate toward preventing any aggression against those islands.

c. The Government of the United States would be willing to discuss with the Japanese and the British Governments a project for an agreement that no territorial possessions of any of the three powers shall be used as a base for aggression or offensive military action against any power or area in the Pacific or the Far East.

d. The Government of the United States will use its influence toward causing amicable consideration to be given to desiderata which may be put forward by the Japanese Government on the subject of migration of nationals on a basis of equality, freedom from discrimination, and reciprocity.

Conference.

It is suggested that a conference between delegates of the powers principally interested in the Pacific be held at Honolulu at the earliest

possible moment for consideration of the problem of maintaining peace and safeguarding the interests of all concerned in the Pacific and the Far East.

711.94/2066;

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)* ⁹⁹

[WASHINGTON,] April 11, 1941.

An oral statement might be made to the Japanese Ambassador along lines as follows:

As the Ambassador will recall, both the President and I suggested during our conversations with the Ambassador that he might care in discussions with me to explore the question of improving relations between the United States and Japan; that such a procedure might involve a review of relations during recent years in an attempt to ascertain where and in what respects the courses of the two countries had diverged; and that this would be done with a view to ascertaining whether something practicable might be done toward restoring the relations of our two countries to that harmonious state which existed for so many decades. I refer to this again at this time because of the reports which have been coming to me that certain of the Ambassador's compatriots have been working on formulation of proposals and plans for improving relations between the United States and Japan. I have been told that the Ambassador's compatriots have been in touch with the Ambassador in connection with their proposals and that the Ambassador has participated in and associated himself with these plans. I of course do not know whether these reports are entirely accurate. As I have said previously to the Ambassador, we can deal only with the Ambassador in addressing ourselves to consideration of problems outstanding between our two Governments.

We are convinced that the best interests of Japan lie along the lines of the principles and policies in which this country believes and to which it is committed.

If the Ambassador wishes to discuss the question of improving relations between our two countries on the basis of the proposals mentioned or upon any other basis which the Ambassador may have in mind, I shall be glad to discuss the matter with the Ambassador.

With reference to the proposals under reference, some features of them would not seem to create any difficulty. Other features would, as far as my present study indicates, call for very careful consideration. Perhaps on some of those points a further clarification would suffice to remove the sources of possible difficulties.

⁹⁹ Prepared for use by the Secretary of State.

I repeat that, in view of these recent reports in regard to the activities of certain of the Ambassador's compatriots and of the report that the Ambassador has been associated with these activities, I have wished to mention this matter to the Ambassador with the frankness which I am sure he would wish me to use.

It is suggested that during the course of the conversation some mention might be made of the various points which are fundamental in the foreign policy of the United States, as set forth in the memorandum handed the Secretary yesterday.¹

It would seem advisable to postpone until a subsequent meeting discussion of specific features of the proposals. Should the Ambassador endeavor to engage in such discussion, he might be informed that, while there is no wish to delay discussion, the Secretary wished today, in order to assist him in his further consideration of the matter, to give the Ambassador an opportunity to make any statement which he might wish to make in regard to the status of the proposals.²

711.94/4-1141

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] April 11, 1941.

In 1894, the Japanese Navy, having aboard its ships some twenty Japanese officers who had been trained at the U. S. Naval Academy in Annapolis, Maryland, sank the Chinese Fleet, which was lacking in ammunition, in the battle of the Yalu.

In 1905, Japanese diplomats, with the aid of President Theodore Roosevelt, won the Russo-Japanese war at Portsmouth, New Hampshire, U.S.A.

Since that time Japan has been rated as a great power, which, comparatively speaking, she was not and is not; and Japan has achieved one diplomatic victory after another by processes of diplomacy backed by threats, implied threats, or inferred threats of force.

In 1917, 1918 and 1919, Japan, assisted by British and American diplomacy, gained possession of the former German-owned islands in the central Pacific.

In 1931, 1932 and 1933, in default of the only form of opposition which might effectively have been presented by Great Britain and/or the United States, Japan gained possession of Manchuria.

At that time Great Britain's diplomacy was equivocal and the diplomacy of the United States made it clear to the Japanese that they would not be opposed by force.

¹ *Ante*, p. 135.

² See memorandum by the Secretary of State, April 14, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 402.

From 1934 to 1939, action taken by the Government of the United States in the fields of legislation and of diplomacy led the would-be aggressor powers, foremost among which are Germany and Japan, to the definite conclusion that the United States would, in the event of a war in which the United States was not directly attacked, [take no?] more than a position of neutrality; and there was no act or utterance by any responsible American political leader until after the election of November 1940 in affirmation of, in implication of, or warranting an inference by anyone of a possibility that the United States might use armed force unless, until and before some part of the Western Hemisphere was directly attacked.

It is believed that, at any time throughout this period of more than forty years, a conviction on the part of Japan's leaders that the United States was ready to fight and would fight in defense of the principles for which the United States [stands?] and of which it makes constant affirmation would have prevented or resolved any serious tension between Japan and the United States arising out of issues over violation of those principles.

The question which Japan is weighing today in connection with her desire to move southward is this: How much of armed opposition would Japan's armed forces encounter, at the hands of the British, the Dutch—and the United States?

If there ever was a time when American diplomacy should refrain from saying, indicating, implying or giving a basis for an inference, to the Japanese, that a move southward by Japan would not be met by armed opposition on the part of the United States, that time is now.

It is reasonable and advisable that we should do all that we can in our diplomacy to cause the Japanese to believe that they can have a fair deal so far as we are concerned without their having to make conquests in order to get it, and especially if they will refrain from conquests; but, toward dissuading them from further adventurings southward, it is most desirable that we should cultivate rather than destroy an impression on their part that adventure southward by them would meet with armed resistance on our part.

711.94/2066½

*Memorandum by the Adviser on Political Relations (Hornbeck)
to the Secretary of State*³

[WASHINGTON,] April 14, 1941.

I feel it highly desirable that before any draft is formally received from or formally given to the Japanese Embassy, we should give the

³ Submitted with the penciled explanation that "This supersedes a previous counter-draft"; for latter, see text of April 11, p. 143.

British Government an indication of what is going on and of our general thought in regard to the matter.

Any giving to the Japanese of an indication of a willingness on our part to assist toward a termination of the hostilities in China will be a step on our part the potential effects of which will be of legitimate and substantial concern to the British. (Also, it will be to the Chinese—who, just as are the British, *fighting* in resistance to the concept of which Nazi Germany is the chief exponent of a new “world order”.)

S[TANLEY] K. H[ORNBECK]

[Annex ']

[Here follows text of earlier draft, dated April 11, printed on page 143, except that under section II the following paragraph is inserted and the beginning of section III is revised as follows:]

The Government of Japan further declares that it is under no commitment under its Axis Alliance or otherwise which is inconsistent with the terms of the present agreement with the Government of the United States.

III. *China affairs.*

When this agreement is concluded and both Governments have given it their approval and commitment, the President of the United States will suggest to the Government of Japan and the Government of China that those Governments enter into a negotiation for a termination of hostilities and resumption of peaceful relations on a basis as follows:

[Here follows text of points *a* to *e*, inclusive, of the April 11 draft; a new point *f* is inserted, changing the earlier point *f* to point *g*.]

f. The question of the future of Manchuria to be dealt with by negotiations, without duress, to which China, Japan and “Manchukuo” shall be parties.

[Here follows text of the April 11 draft to point *b* of section IV; a new paragraph is inserted changing the earlier one from *b* to *c*.]

b. The two Governments will give consideration to an exchange of courtesy visits of naval squadrons to take place after the conclusion of the proposed conference for the purpose of signaling a new era of peace in the Pacific.

[Here follows text of the April 11 draft of section V, except that a new paragraph is inserted after the first one:]

The two Governments undertake to take such steps as may be necessary to effect a resumption of normal trade relations, subject

⁴ Dated in pencil: “IV-14-'41”. Notation on file copy: “Redraft by Mr. Hornbeck of the Japanese draft of April 9, 1941.”

to the conditions aforementioned, as existed under the Treaty of Commerce and Navigation between the United States and Japan which expired on January 26, 1940. The two Governments would be prepared to enter into negotiations looking to the conclusion of a new commercial treaty to meet new conditions.

[Here follows text of the April 11 draft through section VII, with the following section inserted:]

VIII. Upon the conclusion of a peace settlement between Japan and China, the Governments of the United States and Japan undertake to enter into negotiations with the Chinese Government looking to the relinquishment by the American and Japanese Governments of extraterritorial and other special rights in China. The two Governments further undertake to use their influence with the Governments of the other nations concerned with a view to those nations' taking similar action.

[Here follows text of the April 11 draft on "Conference."]

793.94/16663

*Memorandum Prepared in the Division of Far Eastern Affairs*⁵

[WASHINGTON,] April 14, 1941.

APPRAISAL OF THE SITUATION IN THE FAR EAST

[Here follows review and summary of the situation since July 1937.]

The policy of this Government so far would appear to have been substantially effective in sustaining China and in impeding Japan's course of action. This policy so far has been followed without involvement by this country in the hostilities in the Far East.

The present is of course no time for a relaxation of effort on the part of the United States with reference to the situation in the Far East. This Government should continue to extend aid—financial, material, technical, moral—to China to the fullest extent possible. This aid should be given in such manner as to encourage the Chinese to exert their greatest efforts to aid themselves. At the same time, this Government should maintain a firm policy with regard to Japan. To meet the needs of this country's defense program, some additional restrictions may reasonably be imposed upon exports to Japan (and other countries) of certain commodities of interest to Japan. Steps may also reasonably be taken to ensure that Japan shall not become a way station for the forwarding of American supplies to Germany. The imposition of full embargoes upon the export of

⁵ Initialed by the Chief of the Division (Hamilton), who submitted it on April 17 to the Adviser on Political Relations (Hornbeck). For Dr. Hornbeck's memorandum of April 24, see p. 164.

commodities which Japan regards as essential to its existence as a power in the Far East and of which this Government is known to have an ample stock—such as petroleum—would not appear to be to the best interests of this country. It is believed that for many and sound reasons Japan does not desire war with the United States. The placing of sweeping and evidently discriminatory restrictions by this country upon trade with Japan would, however, demonstrate to all elements in Japan that the only way of assuring Japan's future as a power with independence of action is to establish control through seizure or other means over an area which will be self-sustaining. Convinced that its future is at stake, Japan might well choose to take the risks of a military campaign southward rather than submit to an arbitrary cutting off of essential supplies or of essential markets. It is suggested that this Government should not therefore impose such restrictions unless it is prepared to accept the consequences of such action—increasing likelihood of involvement by the United States in hostilities in the Far East and probable partial diversion of American energies and of American supplies from aid to Great Britain.

No assurance, of course, exists that with the progress of developments in the European war Japan may not decide to enter upon a military campaign directed against British and Netherlands possessions in the Far East in concert with Axis moves in Europe. That the possibility of such a step exists, however, is no reason why this Government should by its policy give support to those elements in Japan—as yet in the minority—who are now understood to favor such a course of action.

The present year will be a critical period in the war in Europe. If this year can be passed with this country continuing to assist China and to deter Japan firmly but judiciously, with Japan still hesitating to break over into a campaign of military conquest against British and Netherlands possessions in the Far East, and if British resistance in Europe can be sustained with American assistance, then there is a distinct possibility that the present balance of Japanese opinion in regard to Japan's future course of action may be decisively turned. This Government's policy has had as one of its effective purposes the attrition of Japan's energies and resources by steps undertaken gradually on a basis designed to obviate creating the impression that they were in the nature of overt acts directed primarily at Japan. At the end of this year, with the prospect of a quick German victory gone, and with the practical certainty that an attack in the Far East would involve Japan in a lengthy and probably disastrous war, Japan is likely to realize the magnitude of the difficulties in the way of the accomplishment of its program in the Far East. At that time Japan

may well come to see that a solution of Japan's problems is not to be found within the Axis and may of its own accord turn away from association with Germany.

On the other hand, with events in Europe transpiring with kaleidoscopic rapidity, repercussions of those events are bound to be felt in the Far East. Japan's best interests, in the eyes of its Government and people, lie in a change in the *status quo*. Japan may be expected to continue its careful opportunistic policy *pari passu* with developments in Europe until such time as a more attractive alternative is presented. If Japan can be led to believe without question that the United States is able to resist and will resist by active intervention with its armed forces any aggression against British or Netherlands possessions in the Far East, Japan would hesitate to attack those areas.

Japan, Russia, Germany and Italy are grimly determined to improve their respective positions during and by means of the present world upheaval. There are only two factors which in final analysis are capable of altering the course followed by any one of those countries—first, effective force coupled with a determination to employ that force if necessary, and second, the offer of alternatives of sufficiently attractive economic or political value.

It is believed this Government's best interests will be served by continuing to confront Japan now with determination, without element of bluff, and to continue with greater clarity to present to Japan at the same time a willingness to give honest and sympathetic consideration now to Japan's legitimate desires for changes in the economic *status quo* if Japan will abandon entirely its resort to and threat of armed force and aggression.

711.94/4-1541

*Memorandum Prepared for the Secretary of State*⁶

[WASHINGTON,] April 15, 1941.

1. It is suggested that the Secretary now indicate to the Japanese Ambassador that in going over the proposals which have been presented to us certain questions have arisen in the Secretary's mind in regard to which he would like to have the Ambassador's views; that he has jotted down these questions and is giving a copy to the Ambassador in case the Ambassador may wish to study them before making a full or definitive reply.

⁶ In a letter of February 17, 1955, Dr. Stanley K. Hornbeck informed the Editor of *Foreign Relations* that the substance of this memorandum was probably worked out by himself, Mr. Ballantine, and Mr. Hamilton in conference and could have been dictated by any one of the three, but that it probably was dictated by himself.

2. Later, when a reasonably satisfactory answer has been given to the questions, the Ambassador might be informed that, if the Ambassador will consult his Government and present proposals under authorization, the Secretary would be prepared to study the draft sympathetically.

If the Ambassador says that before asking his Government for instructions he would like to know whether this Government would be prepared to give favorable consideration to the proposal, the Secretary might say that we consider that the proposals as a whole offer a starting point for discussion, and that we feel optimistic that on the basis of mutual good will our differences can be adjusted and reconciled.

711.94/2111½

*Memorandum Prepared for the Secretary of State*⁷

As the Japanese Ambassador will recall, in our previous conversations I have referred a number of times to the principles which during recent years this Government has followed in relations with the other countries of this hemisphere and to the practical application of those principles by all the countries of this hemisphere. In this connection, I wish to call the Ambassador's attention to the "Declaration of American Principles"⁸ adopted by all the American States on December 24, 1938 at Lima, Peru. I would like to read this Declaration and to give the Ambassador a copy thereof.

I wish to inquire whether in the Ambassador's opinion his Government would be likely to agree to the various principles set forth in the Declaration.

With express reference to the proposals under discussion, I realize that those proposals contain references to and application of a number of the principles embodied in the Declaration of Lima. I wish to inquire whether the Ambassador would be agreeable and whether he thinks his Government would be agreeable to broadening a number of the propositions set forth in the proposals under reference so as to make them reflect more clearly harmony with the broad gauge program of the Declaration of Lima. More particularly, I would welcome the Ambassador's opinion as to his Government's attitude on questions as follows:

1. Respect for the sovereignty of China.
2. The principle of noninterference in the internal affairs of other countries, specifically China.

⁷ Not signed or initialed. Notation on file copy: "Memorandum of April 15-16, 1941 containing suggestions for a possible conversation with the Japanese Ambassador. (See the memorandum of conversation of April 16, 1941.)" For latter, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 406.

⁸ Department of State, *Press Releases*, December 31, 1938, p. 494.

3. The principle of equality of commercial opportunity, with special reference to China.
4. Maintenance of the *status quo* in the Pacific except as the *status quo* may be altered by peaceful means.

I wish also to raise for the Ambassador's consideration the question whether, should the President agree to act as mediator and the Chinese and the Japanese should then proceed to negotiate, it is not necessary that provision be made for an armistice, so that the negotiations may be conducted in a favorable atmosphere, free from any suggestion of duress.

[Annex]

If a reasonably satisfactory answer is given by the Ambassador to the questions, the Ambassador might be informed that, if the Ambassador will consult his Government and present under authorization proposals in line with the answer to the questions, the Secretary would be prepared to examine the new draft and possibly to furnish the Ambassador with a counter draft, which would serve as a means of clarifying for purposes of discussion our views and facilitate efforts to reconcile possible differences in our respective views.

If the Ambassador says that before asking his Government for instructions he would like to know whether this Government would be prepared to give favorable consideration to the proposals, the Secretary might say that we consider that the proposals as a whole offer a starting point for discussion, and that we feel optimistic that on the basis of mutual good will our differences can be adjusted and reconciled.

If the Japanese Ambassador's replies to the questions presented are reasonably satisfactory, the Secretary might inform the Ambassador that, in as much as Chinese and British interests are involved, we feel that at some stage before any agreement is signed, we would wish to inform the Chinese and the British Governments of the subject matter of the negotiations.

711.94/2066‡

Memorandum by the Chief of the Division of Far Eastern Affairs (Hamilton) and Mr. Joseph W. Ballantine ⁹

DIFFERENCES BETWEEN JAPANESE DRAFT AND OUR REVISION OF
JAPANESE DRAFT

In the Japanese draft, there is carried out the concept of a joint paramountcy of Japanese and American interests and influence in the

⁹ Notation on file copy: "Memorandum by Mr. Ballantine and Mr. Hamilton relating to the Japanese draft of April 9 and our tentative redraft of April 16. For use in the Department." For draft of April 9, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 398; for redraft of April 16, see *infra*.

Far East and Pacific area over the interests and influence of other nations and of a Japanese-American control of the Pacific area. In our revision there has been appropriate rephrasing to eliminate this aspect of the draft and to take into account the rights and interests of all concerned based upon the principle of equality among nations.

Certain parts of the Japanese draft in form leave room for ambiguity as to whether or not the document purports to be in the nature of an agreement which in this country would require formal submission to the Senate. In our revision the document is described as a "joint declaration of policy and intention" and its form and content made consistent with this description.

Many of the changes in wording made in our revision do not effect any material alteration of substance but have been adopted in the interests of clarity and precision. Changes in substance have been made in order to broaden the basis of the document to integrate its contents with principles of universal application underlying our foreign policy. Some provisions—to which we could not subscribe—have been omitted.

A comparison of the two drafts, in which there is pointed out the differences on material points, is given below.

With regard to the introductory statement in the Japanese draft, there is perceived no need for including such statement and it is doubted whether the Japanese contemplate that such statement be included. If, however, the Japanese should desire some such statement, it is believed that the substance of the Japanese statement could be readily rephrased so as to be mutually satisfactory.

I. *The Concepts of the United States and of Japan respecting International Relations and the Character of Nations.*

The first paragraph in the Japanese draft has been deleted. There is danger that such a provision would create in the minds of Japanese the idea that the United States and Japan have special positions in the Pacific area and that the rights and interests of other nations are somewhat subordinate to the rights and interests of the United States and those of Japan. Moreover, there is no need for such a provision.

The remainder of the section has been rephrased to some extent so as to make the wording more precise and to broaden the contents, without, however, effecting any material changes.

II. *The Attitudes of Both Governments toward the European War.*

The only change in substance is the inclusion in our revision of a new paragraph reading as follows:

"The Government of Japan further declares that it is under no commitment under its Axis Alliance or otherwise which is inconsistent

with the terms of the present declaration of policy and intention agreed upon between the Government of Japan and the Government of the United States.”

III. *China Affairs.*

Under the Japanese wording of the introductory sentence of this section, the Japanese might contend that the President of the United States had committed himself to asking the Chinese Government to negotiate peace with Japan and not to *communicate to the Chinese Government the bases on which Japan would undertake to negotiate peace*. In our revision the President of the United States would be free in approaching the Chinese Government to communicate to the Chinese Government the basic terms as set forth in the draft.

The Japanese draft enumerates eight points, *a* to *h*, inclusive, as bases on which Japan would undertake to negotiate peace with China.

In our revision there is no material change in points *a* to *d*, inclusive, and point *g*.

Our revision omits point *f* of the Japanese draft, “Coalescence of the Governments of Chiang Kai-Chek and Wang-Ching-Wei”. This Government does not recognize the Wang Ching-wei regime and, while there is no objection on our part to the personnel of the Wang Ching-wei regime or of the regime itself being incorporated in the Chungking Government, it would be undesirable that this Government be put in a position of putting pressure on Chiang Kai-shek to incorporate the Wang Ching-wei regime in the Chungking Government.

Point *e* in the Japanese draft provides for resumption of the “Open Door” at some indefinite future time. Our revision is more precise in language and contains no specification as to the time when the provision will be implemented.

Point *h* in the Japanese draft, which reads “Recognition of ‘Manchukuo’”, appears in our draft as point *f* and is revised to read, “The question of the future of Manchuria to be dealt with by friendly negotiations to which China, Japan and ‘Manchukuo’ shall be parties.” The reason for this change is that this Government must not be put in a position of pressing the Chinese Government to recognize “Manchukuo”.

Our revision omits the third paragraph of the Japanese draft, which calls for inclusion in the Japanese terms of peace to China of proposals for “joint defense against communistic activities and economic cooperation”, and it substitutes a paragraph providing for the conduct of negotiations “on a basis of legal equality and in a spirit of good neighborly friendship”. The provision in the Japanese draft for “joint defense against communistic activities” is objectionable in that it could envisage permanent Japanese military control of wide areas of north China.

The last paragraph of this section of the Japanese draft, which provides for discontinuance of American assistance to China in the event that Chiang Kai-shek rejects the request of President Roosevelt to negotiate a peace settlement with Japan, is omitted in our revision.

IV. *Naval, Aerial and Mercantile Marine Relations in the Pacific.*

a. The Japanese draft declares that America and Japan shall not resort to such disposition of their naval and aerial forces so as to menace each other. In our revision the two Governments pledge that their naval and aerial forces shall not be used for purposes of disturbing or altering the *status quo* in the Pacific. The Japanese proposal would seem to envisage a division of the Pacific Ocean into a Japanese sphere and an American sphere, and would bring up questions such as fortification of Guam, et cetera, discussions with regard to which would not be opportune.

b. No material change.

c. No material change.

V. *Commerce between Both Nations and Their Financial Cooperation.*

The first paragraph of the Japanese draft calls for assurances of mutual supply of commodities as available or required. Our revision limits commitments during the present emergency to figures of pre-war trade and excepts commodities which each country may need for its own purposes of security and defense.

In the second paragraph of the Japanese draft there is provision for extension of American gold credits to Japan. In our revision there is provision that American gold credits might be extended also to other countries of the Far East and Western Pacific area.

VI. *Economic Activity of Both Nations in the Southwestern Pacific Area.*

No change in general substance has been made, but our revision would preclude this Government's assisting Japan to obtain materials to supply a country such as Germany with war supplies.

VII. *The Policies of Both Nations affecting Political Stabilization in the Pacific.*

a. The Japanese draft provides for non-acquiescence by Japan and the United States in future transfers of territory in the Far Eastern and Southwestern Pacific area to *any European power*. Our revision calls for non-assent to such transfer to *any power* under conditions of duress.

b. The Japanese draft calls for joint guarantee of the independence of the Philippines. Our revision provides that Japan would declare its willingness to enter into negotiations for a treaty for the neutraliza-

tion of the Philippines (as provided for in the Tydings-McDuffie Act of March 24, 1934¹⁰).

c. The Japanese draft calls for assistance by the United States for the removal of Hong Kong and Singapore as doorways to facilitating political encroachment by the British in the Far East. Our revision provides that the Government of the United States would be willing to discuss with the Japanese and the British Governments a project for an agreement that the territorial possessions of any of the three powers shall not be used as bases for aggression.

d. Our revision omits altogether this point in the Japanese draft which relates to immigration. This is in accordance with the position of this Government that the regulation of immigration is a matter falling within the province of domestic jurisdiction.

VIII.

Our revision contains an additional section providing that Japan and the United States will, upon the conclusion of a peace settlement between Japan and China, enter into negotiations with China looking to the relinquishment of extraterritoriality and other special rights.

Conference.

Our revision contains a new provision to the effect that the Chairman of the Government of China shall be invited to attend the opening meeting of the conference at Honolulu proposed in the Japanese draft. Such a provision would broaden the setting of the conference and dignify the position of China; and it should not be objectionable to the Japanese Government as the Chairman of the Chungking Government (Lin Sen) is also nominally Chairman of the Wang Ching-wei regime.

Our revision contains a further additional paragraph proposing the inclusion in the agenda of the conference of a plan for holding as soon as world conditions permit a second conference between delegates of all the powers principally interested in the Far East and Western Pacific area.

Our revision omits paragraphs *b*, *c*, and *d* and the addendum contained in the Japanese draft. Paragraph *b* in the Japanese draft provides that there shall be no foreign observers. Paragraph *c* provides for the time of the conference. Paragraph *d* provides that the conference will not reconsider matters covered by the present document. The addendum relates to the confidential character of the contents of this document. It is believed that these points should not be included in the agreement but may be discussed and disposed of satisfactorily in oral discussion.

¹⁰ 48 Stat. 456.

711.94/2066§

*Draft Document Prepared as Tentative Counter-draft*¹¹

JOINT DECLARATION

[Here follow sections I and II, unchanged from draft of April 11, printed on page 143, except that a new paragraph is added as follows:]

The Government of Japan further declares that it is under no commitment under its Axis Alliance or otherwise which is inconsistent with the terms of the present declaration of policy and intention agreed upon between the Government of Japan and the Government of the United States.

III. *China affairs.*

When this declaration of policy and intention, including the provisions of this section, is agreed upon and both Governments have given it their approval and commitment, the President of the United States will suggest to the Government of Japan and the Government of China that those Governments enter into a negotiation for a termination of hostilities and resumption of peaceful relations on a basis as follows:

[Here follow points *a* to *e*, inclusive, unchanged; but new point *f* is inserted, as follows:]

f. The question of the future of Manchuria to be dealt with by friendly negotiations to which China, Japan and "Manchukuo" shall be parties.

[Here follow point *g*, unchanged from point *f* of April 11 draft, and next sentence.]

The negotiations shall be conducted on a basis of legal equality and in a spirit of good neighborly friendship.

[Last paragraph of April 11 draft omitted; then follows section IV, *a*, unchanged.]

b. The two Governments will give consideration to an exchange of courtesy visits of naval squadrons to take place after the conclusion of the proposed conference for the purpose of signaling a new era of peace in the Pacific.

[Point *c* is unchanged from point *b* of April 11 draft.]

V. *Commerce and financial cooperation.*

The two Governments agree that during the present international emergency each shall permit export to the other of commodities in amounts up to the figures of pre-war trade, except, in the case of each,

¹¹ Notation on file copy: "Prepared on April 16, 1941 by Mr. Hamilton and Mr. Ballantine as a tentative basis for a possible counter-draft to the Japanese draft of April 9, 1941." For latter, see *Foreign Relations*, Japan, 1931-1941, vol. II, p. 398. This draft is a revision of draft prepared on April 11, p. 143.

commodities which it needs for its own purposes of security and self-defense.

The two Governments undertake to take such steps as may be necessary to effect a resumption of normal trade relations, subject to the conditions aforementioned, as they were provided for in the Treaty of Commerce and Navigation between the United States and Japan which expired on January 26, 1940. The two Governments would be prepared to enter into negotiations looking to the conclusion of a new commercial treaty to meet new conditions.

As soon as a treaty of peace shall have been concluded between Japan and China, the United States will sympathetically consider, if presented, requests from Japanese and other sources in Far Eastern countries approved by their respective Governments for gold credits for the purpose of fostering constructive enterprises, industrial developments and trade directed to the betterment of Far Eastern economic conditions and to sustained economic cooperation among the countries of the Pacific.

VI. *Economic activity in the southwestern Pacific area.*

On the basis of a pledge by the Japanese Government that Japanese activities in relations with other countries in the Pacific shall be carried on by peaceful means and without resort to arms, the American Government will cooperate with the Japanese Government toward ensuring equal access by Japan to supplies of raw materials, et cetera, which Japan needs for the safeguarding and development of Japan's own economy.

VII. *Policies of the two nations affecting political stabilization in the Pacific.*

a. The Governments of the United States and of Japan will not assent to future transfers to any power of territory of existing states within the Far East and in the southwestern Pacific area under conditions of duress.

b. The Government of Japan declares its willingness to enter at such time as the Government of the United States may desire into negotiations with the Government of the United States with a view to the conclusion of a treaty for the neutralization of the Philippine Islands, when Philippine independence shall have been achieved.

[Here follows point *c*, unchanged except that words "as a base" become "as bases"; point *d* of April 11 draft is omitted.]

VIII.

Upon the conclusion of a peace settlement between Japan and China, the Government of the United States and the Government of Japan will enter into negotiations with the Chinese Government looking to the relinquishment by the American and the Japanese Governments of

extraterritorial and other special rights in China. The two Governments further undertake to use their influence with the Governments of the other nations concerned with a view to those nations' taking similar action.

Conference.

It is suggested that a conference between delegates of the United States and Japan be held at Honolulu at the earliest possible moment for consideration of detailed arrangements called for under the present declaration. If possible, the conference would be opened by President Roosevelt for the United States and by Prince Konoye for Japan. Further, in as much as conclusion of peace between China and Japan on a basis that is fair and just is essential to signaling the new era of peace in the Pacific, the Government of Japan and the Government of the United States will jointly issue an invitation to the Chairman of the Government of China to attend the opening meeting of the conference.

There might be included in the agenda of the conference under reference a plan for a second conference at Honolulu between delegates of the powers principally interested in the Far East and Western Pacific area, to be held at the earliest possible moment when world conditions permit for the consideration of the problem of maintaining peace and safeguarding the interests of all concerned in the area mentioned.

711.94/2066‡

Colonel H. Iwakuro and Mr. Tadao Wikawa to the Secretary of State

WASHINGTON, April 17, 1941.

DEAR MR. SECRETARY: We desire cordially to express to your Excellency our genuine esteem for your devoted efforts to achieve peaceful relations not only between your great nation and ours, but also among all nations.

Whatever the outcome of our present efforts may be, our hearty admiration for your peaceful noble motive will remain steadfast and unchanging.

We beg you and Hon. Mrs. Hull to accept for each of you a slight souvenir from our home land as a token of our deep esteem which no circumstances can alter.¹²

Respectfully yours,

H. IWAKURO
TADAOWIKAWA

¹² On April 25 Mr. Ballantine communicated by telephone to Mr. Wikawa "a message along lines as follows: I have been asked by the Secretary of State to telephone you and to inform you that the Secretary of State sincerely appreciates the kind sentiments expressed in your personal letter to the Secretary and that your courtesy in forwarding two souvenirs of Japan, one for the Secretary and one for Mrs. Hull, is also appreciated."

711.94/4-1841

*Memorandum by the Adviser on Political Relations (Hornbeck) to
the Secretary of State*

[WASHINGTON,] April 18, 1941.

MR. SECRETARY: I do not believe that any nation which has committed itself to the principle of expansion, with and by force, or which is effectively dominated by a powerful group considerable in numbers which believes in and is committed to that principle can overnight or within a period of a few months or a few years become weaned away from or be brought to turn its back upon that principle. The first essential toward renunciation of an objective of conquest by force is the development within the nation which cherishes that objective of a real conviction of the futility of the effort which it is making. This can be brought about only on the basis of evidence of failure or of comparative incapacity to succeed. Development of such a conviction takes time. To provide the time, it is necessary that the operating armed force first be prevented from making further advance and second be held in check either by obstacles in front of them or by inadequacy and deterioration of the support which is behind them. An armed group which effectively controls the man power and the resources of a militant nation, which is on the march, which has opportunity to advance, which has reserves of man power and of matériel, and which is not threatened with revolt or rebellion at home, will continue to cherish and to pursue its policy of conquest.—The militant leaders of Japan's military element, who are today the masters of Japan and of Japan's policies, are in no way in imminent peril from any quarter. I do not believe that those leaders—and I therefore do not believe that Japan—will in the near future abandon in any sense whatever their present doctrine of military conquest by force. They have entered into certain treaties for the purpose of strengthening their position and their capacity to proceed with their plans for conquest. They will seek new treaties and will conclude new treaties, if and when, in service of that policy and its objective. As is the case with Germany, Japan's program of imperialistic expansion (which has long been cherished and which has been projected to extend far into the future) will not suddenly be abandoned by Japan; and Japan's militant leaders will continue to take advantage of every opportunity which develops for a further advance by Japan—until Japan's militant leadership has been shown to its own people to be *not possessed* of the capacity to take *and to hold*.

S[TANLEY] K. H[ORNBECK]

711.94/1971 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, April 24, 1941—7 p. m.

247. Mr. Hornbeck's strictly confidential letter to you of March 15 and your telegram number 330, February 27, 10 p. m. The matter described in the letter under reference has undergone further developments. In conversations which I had on April 14 and 16 with the Japanese Ambassador¹³ I referred to those developments and the Ambassador indicated that he was familiar with the matter. In these conversations we had a general discussion of the policy of this Government; I reviewed the principles which this Government regards as fundamental to sound international relationships and I mentioned the eight-point program adopted at the Lima Conference¹⁴ and the beneficial results achieved by that program.

As an outcome of the second of these conversations I understand that the Japanese Ambassador had in mind submitting to his Government a proposed basis of agreement with a view to obtaining authorization to present it to this Government. This proposed basis of agreement had reached the Department through the American official mentioned in the third sentence of the penultimate paragraph of the letter of March 15 above referred to. While I have made no commitment whatever in regard to any specific proposals, I made known to the Ambassador the willingness of this Government to consider any program which the Japanese Government might offer and which would be in harmony with the principles which I outlined to him for adjusting relations between our two countries and improving the situation in the Far East. With reference to the proposed basis of agreement, I added that from what I had been told of its contents we could readily agree on certain points, although some would have to be modified and others eliminated and this Government would wish to offer some additional proposals. I indicated also that, if the Japanese Government should earnestly intend to change its course, I perceived no reason why a reasonably satisfactory settlement might not be reached of the problems presented.

We are skeptical whether the Japanese Government would at this time be willing or be able to go forward with a program of the nature indicated.

Further information is being forwarded by pouch.

HULL

¹³ See memoranda of conversations, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 402 and 406.

¹⁴ For text of Declaration of American Principles of December 24, 1938, see Department of State, *Press Releases*, December 31, 1938, p. 494.

793.94/16663

Memorandum by the Adviser on Political Relations (Hornbeck) ¹⁵

[WASHINGTON,] April 24, 1941.

Reference FE's memorandum of April 14 entitled Appraisal of the Situation in China.

The memorandum under reference gives a very interesting résumé of United States policy and specific acts in the field of relations with Japan and China during the period of the current Japanese-Chinese hostilities.

It is the belief of the undersigned that, taken by itself and as it stands, the content of this memorandum puts the course followed by the American Government in altogether too favorable a light. It is indicative of an impression on the part of its authors that American assistance to China has been large in amount and has had a very substantial effect, favorable to China, upon the course of developments in the Japanese-Chinese hostilities; also, that the course followed by the United States in regard to Japan has had substantially restraining influence upon Japan and the course followed by Japanese leaders.

Unquestionably, the policy and acts of the United States have contributed to the continuance of China's resistance to Japan and have been a factor among the handicaps which have affected Japan's operations. But to say that "the policy of this Government so far would appear to have been substantially effective in sustaining China and in impeding Japan's course of action" is to give far too much credit—for something that isn't.

This Government has in fact extended to China in a period of almost four years credits and loans to the amount of \$175,000,000 and it has expended approximately \$220,000,000 for purchase of Chinese silver. Most of the credits have been connected with transactions commercial in character, involving purchase and sale (exchange) of commodities. Of the total amount, \$50,000,000 has to do with the problem of support of Chinese currency and related matters, and has not yet been effectively applied. In the field of purchasing of Chinese silver, the first effects of this Government's silver purchase program were disadvantageous to China (that program had not been evolved and adopted with any view to helping China) and the fact that the program ultimately operated to China's advantage was essentially accidental to the turn of world events.

In comparison with the amount and the type of aid which the United States has given to Great Britain during recent months and

¹⁵ On May 9 Dr. Hornbeck transmitted this memorandum together with the one dated April 14 prepared in the Division of Far Eastern Affairs, to the Under Secretary of State and the Secretary of State who noted them on May 10 and 13, respectively.

to the vast program upon which this country is now embarked for the giving of aid to Great Britain, the amount and the types of aid which we have given to China over a period of four years appear insignificant in proportions. Looking at the amount and the character of the aid which we have given to China and at the situation which prevails in China today, one may well propound this speculative query: Suppose the United States had in 1937 or 1938 embarked upon a wholehearted program of "all-out" aid to China, how different might be the situation with regard to China (and Japan and our problems in the Pacific and in the world) now.

Comment will be made: "The Government of the United States was not at that time in position to embark upon such a program". True. But, the memorandum now under reference is devoted to an appraisal of what the Government of the United States has done, not to an analysis of the reasons why in regard to what it has and what it has not done; and an objective appraisal of any phenomenon stands separate from and independent of an analysis and appraisal, if offered, of the forces and circumstances which have made the said phenomenon what it is.

The affirmation that the policy of this Government has been *substantially* effective in impeding Japan's course of action is especially open to doubt in its relation to Japanese action vis-à-vis China. The statement is perhaps less questionable in its relation to Japan's southward movement, although even there it seems likely that such caution as Japan has shown because of the United States has been due much more to a fear of possible forceful action that the United States might in fact take in response to a major Japanese threat to British communications and to American sources of supply than to any positive action taken by the United States over the past few years. However, the immediate context and preceding statements in the memorandum* make the assertion under reference seem to apply particularly to the effect of the policy of this Government upon Japan's course of action *in China*; and in that respect the assertion, it is believed, is unwarranted.

Protests by the Government of the United States against Japan's aggression in China and wide-spread disapprobation by the American

*On page 2 the statement is made that this Government has "considerably hindered the development of Japan's military program in China" by a policy of holding Japan responsible for personal and property damage to American nationals. We have not "held Japan responsible"; we have merely declared that we will hold her responsible.

On page 3 the statement is made that "American opposition and disapprobation" and the necessity (*sic*) that Japan take care lest Japanese activities in China involve Japan with the United States have "been steadily restraining influences upon the progress and development of Japan's program." Query: How far is this true as regards "progress and development of Japan's program" in China? [Footnote in the original.]

public of that aggression, have had little discernible effect upon Japan's course of action vis-à-vis China. We have, it is true, also informally discouraged private financial assistance to Japan, but actions of the Ford Company and more recently our experience with the Paramount Company indicate that our advice may have been less a controlling factor than has been the economic unattractiveness of Japanese securities. Our economic measures (imposed, beginning with July, 1940, partly to restrain Japan's inclination to move southward and in greater part for urgent reasons of domestic rearmament rather than to "impede" Japan in China) have been much too recently put in force to have had any substantial effect as yet. Indeed, on net balance there can be no question but that since the outbreak of the Sino-Japanese conflict the *increases* which we have permitted to develop in our exports to Japan of petroleum products, iron and steel products, other metals, machine tools and a long list of miscellaneous materials essential for war have far outweighed the advice which we have given against loans or credits being made available to Japan and the belated and incomplete restrictions which we have imposed against Japan. We have taken against imports from Japan, the major source of Japan's foreign exchange, no action whatsoever.†

Without laboring these points by a more detailed reviewing of the history of our recent economic relations with Japan and China, it is believed warrantable to call attention to the fact that a considerable and readily available literature has been produced on this subject and that in the said literature there appears a good deal more as data material on which to base an evaluation of our Far Eastern policy than a listing of our credits and loans to China, of our Red Cross and unofficial relief contributions to China, of our exports of arms and ammunition to China, and of the figures which show the decline in our general exports to Japan in (very) recent months.

The United States Commercial Attaché at Tokyo has estimated that in January 1940 we were supplying about 40 percent of Japan's imports of metals, of raw cotton and of wood pulp, about 50 percent of the imports of petroleum products, 70 percent of imports of scrap iron and 95 percent of imports of automobile parts. There is attached hereto a table of our exports to Japan¹⁶ that throws a somewhat different light upon the question of our having hindered or aided Japan's program in regard to China than does the table marked Annex IV¹⁶ which is appended to the memorandum now under reference.

†United States imports of raw silks from Japan				
1936	1937	1938	1939	1940
\$94,967,422	\$99,572,976	\$83,644,281	\$106,951,000	\$105,311,000

[Footnote in the original.]

¹⁶ Not printed.

It seems to me that a thoroughly objective appraisal of the *effects* of American policy (in terms of action and non-action) toward the Sino-Japanese conflict would arrive at and set forth a conclusion that we have helped China somewhat and that we have hindered Japan somewhat; that the difficulties that Japan has encountered in her attempt to subjugate China and China's successes in resisting that attempt have, in both cases, been due only in small part to the action taken, positive and negative, by the American Government; and that Japan's present ability to continue her efforts in China and to give thought now to possible "bigger and better" aggressions and even to "war with the United States" is a consequence in no small part of the practically unrestricted access which Japan enjoyed for more than three long years to the rich and most helpful markets of the United States.

Were I writing at this moment an appraisal of the situation in the Far East, and especially of the policy and operations of the United States during the last several years as a factor therein, I would be inclined to say regarding our policy and operations that, as between good or bad, the principle of "praise the day when it is done" applies. And, I would be inclined to raise this question: In a situation wherein two nations are engaged in armed conflict over a fundamental issue, is a procedure on the part of a third nation which expresses itself in giving of a *little* help to one and in the giving of a *little* hindrance to another a sound procedure? Is such a procedure likely to win and hold the good will of the nation helped and to avoid the enmity of the nation hindered; is it not likely to gain for the country which engages in it the substantial ill will of both; does it produce for the country which follows it a net gain; what problems does it solve; and to what does it lead?

[Here follows an annexed section giving comparable figures for 1936-40 on "certain specific exports from the United States to Japan".]

S[TANLEY] K. H[ORNBECK]

*Mr. Lauchlin Currie to President Roosevelt*¹⁷

WASHINGTON, April 25, 1941.

Re: Airplanes for China under Lease-Lend.

Meeting China's request for pursuit ships and bombers involves a major question of policy. This memorandum outlines briefly the case for the immediate diversion of some airplanes to China.

¹⁷ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

1. Japan is an Axis partner committed to a policy of domination of the Far East. Despite assurances to the contrary, it will seize every opportunity to further this policy.

2. The Russo-Japanese Pact facilitates, to a degree, this policy. While it may be presumed that mutual trust is lacking, still a parallel step by step policy of withdrawing men and material from the Manchurian-Siberian frontier may very well prove feasible and in the interests of both Russia and Japan.

3. Should Suez and the Near East fall to Germany, this would unquestionably embolden the Japanese.

4. Singapore is the key to the Indian Ocean, Australasia and Oceania. It is as indispensable to the continuation of Britain's war effort as it is to Japan's dominance of the East. It may be assumed, therefore, that Japan will move against Singapore whenever conditions appear favorable.

5. Japan would be prepared to offer China peace on very favorable terms for the purpose of releasing large numbers of men and planes and quantities of material. She could do this readily as the possession of Singapore would put her in a position to dictate any terms to China.

6. Therefore, the defense of Singapore should be a cardinal feature of our strategy and the British strategy.

7. The best defense of Singapore is in China. Were China put in a position to assume the offensive, Japan would have to strengthen her forces in China, rather than weaken them. The assumption of a vigorous air offensive by the Chinese against the Japanese in China and in Japan and in Indo-China, would also effectively tie up the Japanese air force.

On the other hand, aerial defense of Singapore is difficult as it is open to attack from the sea without adequate warning.

The best defense of Singapore, therefore, would appear to consist in (a) keeping the Chinese fighting on a larger scale than before, (b) forcing Japan to maintain and increase its ground and air forces in China, (c) attacking Japanese shipping and airdromes in Indo-China from China.

8. In addition to these considerations, Chinese morale at this moment badly needs a shot in the arm.

9. For all these reasons, we should divert some pursuit ships, bombers, and advanced trainers to China as soon as possible.

10. Both our armed services and the British will be reluctant to give up any ships for this purpose. Purvis himself is sympathetic as is also Lovett. I am afraid, however, that the matter is one that requires your personal intervention if any substantial help is to be given.

Unfortunately, I am not in a position to make any specific suggestions as I am not in possession of the facts regarding our current stocks and production and the British and American requirements. The Chinese have asked for the delivery in 1941 of 500 additional pursuit ships, 300 two-engined bombers, 12 four-engine bombers and 300 trainers.

LAUCHLIN CURRIE

711.94/2065 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, April 25, 1941—1 p. m.

[Received April 26—6 a. m.]

598. For the Secretary or Under Secretary. 1. I have heard unconfirmed rumors that Matsuoka is considering a visit to Washington in the not distant future, obviously with the intention of attempting to offset in the minds of the American Government and public the effects of his visits to Moscow, Berlin and Rome. As a result of his achieving the neutrality pact with Soviet Russia¹⁸ his prestige in Japan is momentarily high and the desire to augment that prestige by creating in Japan the impression that he had likewise improved Japan's relations with the United States would appear to be a logical ambition. If such a visit should materialize, Matsuoka would of course spread in the United States his general thesis that Japan seeks peace and that the southward advance is to be pursued only by peaceful means. He could be counted on to do a great deal of talking to the American public.

2. Whatever assuaging assurances he might convey to the American Government and public in the course of such a visit would no doubt be met with the reply that the United States must be guided by deeds rather than by words and with the thought that through long experience we must assume that in Japan "the government proposes while the military disposes". But in the meantime the Minister would learn at first hand the temper and determination of the American Government and people in supporting American security, rights and interests and, as a corollary, in supporting the security of the British.

I am never certain whether Japanese Embassy in Washington is able to convey to the Japanese Government a true and adequate conception of that determination.

3. In case Matsuoka should broach to me his desire to visit Washington, I would be glad to know in advance your views and whether you would want me to encourage or to discourage such a plan or merely to remain noncommittal and to report such advances as he might make.

¹⁸ See telegram No. 763, April 13, 11 p. m., from the Ambassador in the Soviet Union, p. 944.

You will readily perceive that to discourage such advances would injure the Minister's *amour propre* and would be interpreted as a personal and political rebuff which might and probably would exert an unfavorable influence on Japanese policy. If such a visit were to materialize, it would be better that it take place in a welcoming atmosphere rather than in an atmosphere of merely grudging acceptance.

4. The foregoing is purely provisional and hypothetical as I have no good grounds for believing that the Minister will broach the subject of such a visit.

GREW

711.94/2065 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, April 29, 1941—6 p. m.

254. Your 598, April 25, 1 p. m.

1. We feel that you should take no initiative in the matter. If, however, you are approached on the subject, we suggest that you make reply along lines substantially as follows:

The American Government welcomes visits to the United States by persons who occupy positions of responsibility in other countries. In view of the marked changes which have taken place in the United States during recent months and of the complex character of the current problems affecting international relations, visits at the present time by any such persons may be especially informative not only to them but also to us. If Mr. Matsuoka should choose to visit the United States he will of course be welcomed.

2. We believe that the foregoing formula would be in accord with the various considerations presented in your telegram under reference. It is suggested further that in making a reply as above outlined, you may in your discretion say that you are speaking as on your initiative and that you will if it is desired refer the matter promptly to your Government for an indication of its views.

HULL

740.0011 European War 1939/10942

*Memorandum by Admiral William V. Pratt*¹⁹

[WASHINGTON,] April 30, 1941.

Report of a very interesting conversation, I had with the Japanese Ambassador on April 28—The interview was private—held in the

¹⁹ Recalled from retirement for active duty, January–July, 1941. Memorandum transmitted to the Secretary of State by the Chief of Naval Operations (Stark) in covering note of May 5, and copies submitted to President Roosevelt and the Secretary of the Navy (Knox).

Hotel Plaza—He and I were the only ones present during the entire interview—it was held at his request, and lasted two and a half hours. In the main the conversation was general, but always stuck to the main theme—the war—However there were certain definite statements Nomura made, to wit—that Japan definitely wanted a peace with China—would ask no indemnities—did not desire the military occupation of China—that now, though at first military occupation had been a purpose, this idea had been given up, by most of the influential leaders—including most of the higher military men—nearly all of the naval men—and as I gathered by practically all of the leading business and financial heads—What opposition existed rested entirely in the younger group—that Japan's aim vis-à-vis China was the rehabilitation along economic lines of China and Japan in order to create a stable economic situation through which both Countries would profit, along the lines of cooperation.

With regard to the southward expansion—Japan's aims there were in line with the policy adopted in China—that a military move directed at Singapore and the Dutch East Indies was not intended, but economic stability, and a free flow of trade in which Japan could participate—and I gathered on equal and not on preferential terms—He distinctly did not want war to creep into the Pacific—and I gathered this was the general sentiment in Japan—as it would tend to disturb Japan's policy of economic rehabilitation and stability in the Orient. In spite of the Russo-Japanese agreement, the great fear is and will continue to be Russia—not that they fear Russia in a military sense but that in a long war, with Britain and Germany exhausted—Stalin would be the only winner—then Communist influence would dominate the Orient, much to Japan's undoing—that he, and I judged most of Japan's informed military authority regarded Russia as a weak country, with Stalin under the thumb of Berlin—that Russia was not sincere and could not be trusted.

Nomura stated that of all foreigners in his country the Americans were the best liked.

He stated that the capitalist group in Japan were distinctly opposed to the Axis economic system—that Japan's system was the growth of one patterned after ours and that of Britain, and that the supremacy of the Nazi system would distinctly disrupt their own, and as I gathered would interfere much with Japan's economic policy in the Orient, as it was fundamentally different from the one Japan visualized.

The immediate purpose of the discussion with me, was in connection with a visit he hoped Matsuoka would be able to make to this country in the near future—When Matsuoka went to Berlin—he, Nomura had cabled him, asking that he return via the United States—Matsuoka

could not do it then, as he had to complete arrangements with Russia—I gathered that the feeling was, if an atmosphere was created in this country, which was not hostile to him, since Japan was an Axis partner, that he Matsuoka might be glad to come to this country to talk things over.

I told Nomura then, if the suspicion was aroused in this country that Matsuoka came as an Axis agent, prepared to spread the Nazi doctrine of a conqueror's peace, it would in my opinion be futile, and would only result in a greater antagonism in this country, for we would feel then that Japan had been sold lock, stock and barrel to the Nazis—But that if Matsuoka came with the purpose of establishing friendly relations with this country on the basis of limiting the war to Europe—establishing a condition of peace in the Orient, not to be broken by further military conquests there, and keeping the peace so that war could not spread to the Orient, there might be a possibility—I was not a statesman, nor in a position to make statements which carry any weight, but it was my opinion that the one successful approach to this country, and the only one giving any promise might be along the lines I suggested.

I asked him about Matsuoka, stating that I heard he was in sentiment hostile to this country—The Ambassador's reply was to this effect—That Matsuoka must not be judged entirely by what he says—that he is a disciple of the American political method of saying a great many things to see their effect—but what he has in his heart may be quite another matter.

I gathered however from the whole conversation, that there was a growing fear in Japan, that ultimately, if the Axis were the victors Japan might have to fear Hitler, about as much as they do Stalin—that he Nomura looks forward to a long war, and in the end he did not see how Hitler could prevail over Britain and the United States with their great reserve power. This represents the gist of the conversation.

W. V. PRATT

711.94/2133,†

The Postmaster General (Walker) to the Secretary of State

[WASHINGTON?] May 1, 1941.

1. Mr. Matsuoka is being asked to resign. Prince Konoye must refer this matter to the Emperor and therefore must visit him personally (at the moment he is ill from a minor operation).

2. The Army and Navy authorities cabled here last night that their position regarding the "Understanding" was completely unchanged.

Baron Hiranuma cabled likewise. Therefore, the Japanese here are thoroughly confident that the understanding will be approved.

3. An open cable sent today to Prince Konoye from the Wardman Park Hotel advised that "Matsuoka should cooperate with the rest of the Government and cease acting out of vanity."

4. On April 28 and on April 29 the authorities here telephoned Matsuoka to act quickly but he pleaded that he was ill and at the same time indicated (without mentioning the name) that he still expected Roy Howard to arrange for his trip to the United States. (It is said here that Mr. Early²⁰ is encouraging Mr. Howard.)

5. The Japanese newspapers will criticize the "peace terms" as published in yesterday's *Japan Times* by Mr. Goh. I have suggested that Admiral Nomura communicate to our State Department his repudiation of such terms.

P. S. Matsuoka is really very vain and perhaps it is better that he should be replaced by Arita²¹ or Nomura who are now being mentioned for his post.

At Geneva, in 1932 [1933?] Matsuoka lost his temper and walked out of the League of Nations without authorization from his Home Government.²²

711.94/1987

*The Adviser on Political Relations (Hornbeck) to the Ambassador in Japan (Grew)*²³

WASHINGTON, May 2, 1941.

DEAR MR. GREW: With reference to my strictly confidential letter of March 15 and the Department's strictly confidential telegram no. 247 of April 24, 7 p. m., there are enclosed for your information copies of memoranda of conversations which the Secretary of State had with the Japanese Ambassador on April 14 and 16.²⁴ There are also enclosed a copy of the proposed basis of agreement²⁵ mentioned in the telegram under reference, a copy of our revision of the proposed basis of agreement which we have entitled "Joint Declaration"²⁶ and which was prepared as a tentative basis for a possible counter draft, and a

²⁰ Stephen Early, Secretary to President Roosevelt.

²¹ Hachiro Arita, former Japanese Minister for Foreign Affairs.

²² At meeting of special assembly February 24, 1933; see telegram No. 58, February 24, 1933, 5 p. m., from the Consul at Geneva, *Foreign Relations*, 1933, vol. III, p. 205.

²³ Notation on file copy by Dr. Hornbeck: "This letter is prepared and sent with full knowledge and approval of the Secretary."

²⁴ *Foreign Relations*, Japan, 1931-1941, vol. II, pp. 402 and 406.

²⁵ Presented April 9, *ibid.*, p. 398.

²⁶ *Ante*, p. 159.

copy of a memorandum ²⁷ setting forth the differences between the Japanese draft proposal and our revision of the Japanese draft.

We understand that the proposed basis of agreement was drafted by Mr. Wikawa, Colonel Iwakuro, and Father Drought, an associate of Bishop James Walsh, and that the Japanese Ambassador collaborated at a later stage.

We had seen an earlier draft ²⁸ which we believe was drawn up by Father Drought and Mr. Wikawa prior to the arrival in this country of Colonel Iwakuro. As between the earlier draft and the later one in which Colonel Iwakuro and Ambassador Nomura collaborated, there have been considerable modifications along lines less consistent with the program of this Government.

We have heard nothing from the Japanese Ambassador in regard to this matter subsequent to his conversation with the Secretary on April 16, and, as indicated in our telegram under reference, we are skeptical of the likelihood that this matter will be productive of concrete results.

In the meantime there has been considerable press discussion in this country of the suggestion that Matsuoka visit the United States. Roy Howard appears to be actively supporting this suggestion, which is described in his press as having great potentialities for bringing about an adjustment of the relations between the United States and Japan.

Should the matter discussed in this letter develop further we would of course, at an appropriate stage, expect to inform the British and the Chinese Governments.

Information on this subject continues to be treated here in the strictest confidence and it is therefore requested that the contents of this letter and its enclosures be made known only to Mr. Dooman and that no information regarding this subject in any phase be imparted to any other person.

Yours sincerely,

STANLEY K. HORNBECK

711.94/5-241

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] May 2, 1941.

MR. SECRETARY: With regard to the John Doe question ²⁹ and related matters, it seems to me that:

(1) In case the Japanese Ambassador should bring up—which I doubt whether he will—the question of a possible visit by Mr. Mat-

²⁷ *Ante*, p. 154.

²⁸ *Ante*, p. 97.

²⁹ See Postmaster General Walker's memorandum dated May 1, p. 172.

suoka to this country at this time, it might be well for you to say³⁰ that, as the Japanese army and navy are continuing to pursue courses to which this Government objects and as, in extending their operations in China, they are endangering the lives of American nationals (including those of our consular personnel—at Kunming), it is not clear what purpose the Japanese Government has in mind in such a visit; that consequently we are in no position to encourage the idea of Mr. Matsuoka's coming here; but that if the Japanese Government should choose on its initiative and responsibility to send Mr. Matsuoka here we would of course give him an appropriate welcome and exchange views with him.

(2) In view of the statement that Mr. Roy Howard, who is promoting the idea of the Matsuoka visit, is being given encouragement by Mr. Early, it might be well for you to suggest to the President that, in as much as this is a delicate matter and involves in some aspects a "mixing" into Japanese internal politics, it might be advisable, unless the President definitely *wants* Matsuoka to come, for Mr. Early and any other persons in official circles who may be interested, to refrain from giving encouragement or in any other way associating themselves with the project.

S[TANLEY] K. H[ORNBECK]

761.9411/131 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 2, 1941—9 p. m.

[Received May 2—3 : 19 p. m.]

631. The following information was received today from a thoroughly reliable Japanese who is known to be in close touch with two members of the Cabinet:

1. The Minister for Foreign Affairs called on the Prime Minister in an intoxicated condition on the evening of his return from Moscow and disclosed that when concluding the Neutrality Pact at Moscow he had on his own responsibility given the Soviet Government an undertaking which he had not been authorized by the Cabinet to give (our informant said that he could not indicate the character of this undertaking, as he would render himself liable to the National Secrets Law if he were to do so. There are persistent rumors that Soviet troops are being partially withdrawn from the Manchurian border on

³⁰ See memorandum by the Secretary of State, May 2, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 411.

the strength of a secret understanding with Japan reached when the Neutrality Treaty was signed).

2. The speech which Mr. Matsuoka delivered at the public meeting at Tokyo on his return from Moscow contained several veiled allusions to his colleagues in the Cabinet which were deleted from the press reports of the speech. When referring to the recent emasculation of the Imperial Rule Association, he mentioned the name of a figure in the Middle Ages whose name is execrated as that of the only Japanese who ever attempted to usurp the throne, the implication being that the Cabinet had been treasonable in clipping the wings of the association. Further by indirection he charged the Cabinet with willfully causing the breakdown in the system of commodity distribution.

As a consequence of the facts above set forth of Mr. Matsuoka's efforts to exploit his diplomatic successes to promote his personal interests, the hitherto close personal relations between himself and the Prime Minister have become strained. The German military successes in the Mediterranean, along with certain positive results achieved by Mr. Matsuoka, preclude likelihood of his being displaced at this time as Foreign Minister. Nevertheless, the Prime Minister has decided that he will not permit Mr. Matsuoka to visit the United States under any circumstances—not even if he should receive an invitation from the American Government.

(I wish to add by way of comment that our informant is a highly responsible person and that, although his story is somewhat sensational, it is not out of line with disjointed rumors current here for some days which could not hitherto be pieced together.)

GREW

711.94/2069 : Telegram

The Consul at Mukden (Krentz) to the Secretary of State

MUKDEN, May 4, 1941—noon.

[Received May 5—4:45 a. m.]

7. Reference recent press reports anent a possible visit by Foreign Minister Matsuoka to the United States. A high official of the South Manchurian Railway Company, for some years a close associate of Matsuoka and who traveled with him from Manchuli to Dairen on Matsuoka's recent return from Europe, stated to me yesterday that Matsuoka had told him categorically that he (Matsuoka) had high hopes of adjusting Japanese-American relations through personal conversations with President Roosevelt which he believed could be arranged. Tokyo is no doubt fully informed in this respect but the statement is repeated for any value it may have.

The same official emphasized the benefits which might be expected on rail traffic between Europe and Asia (see my telegram no. 5, April 16, 11 p. m.³¹) as a result of the Soviet Pact and I inferred from his manner of mentioning and dismissing other political aspects of the pact that he wished to convey the impression that these aspects were not of a nature which should cause American concern.

Sent to Peiping, code text air mailed to Tokyo.

[KRENTZ]

794.00/253 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

[Extracts]

TOKYO, May 5, 1941—3 p. m.

[Received May 5—8:08 a. m.]

641. Following summary from today's vernacular press. Matsuoka's interview Japanese press correspondents last night at Kyoto:

1. Thai-French Indochina settlement will be formally concluded soon. Matsuoka had thought economic talks with French Indochina would require 6 months or year. For past 40 years Japan has been unable to touch this issue; therefore slow progress natural. Although completely satisfactory settlement for Japan cannot be expected negotiations have progressed favorably.

5. Japan will pursue peace policy toward America believing sincerity of utmost importance. Discussions expected continue but "there is no necessity for me to visit America now since I know United States very well. It would be preferable for President Roosevelt or Secretary Hull come here since they do not possess knowledge of Japan. They would be heartily welcome."

6. Japan's faith and sincerity must be made known to world. For example, Japan has obtained nothing from Thai-French Indochina mediation not written in treaty. Bureaucratic diplomacy of past must be changed with complete responsibility placed in official in charge. For example, Foreign Minister von Ribbentrop handles diplomatic issues with "blitz" speed. Premier Konoye understands general outline Japan's diplomacy and entrusts its execution completely to Matsuoka. Reform diplomatic structure may be carried out June.

GREW

³¹ Not printed.

711.94/2070 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, May 6, 1941—5 p. m.
[Received May 6—12:05 p. m.]

643. For the Secretary and the Under Secretary. The informant³² identified in the Embassy's 535, April 10, 11 p. m.³³ called yesterday and gave us in strict confidence information as follows:

1. He recently conveyed through a "close friend" (probably General Araki³⁴) to the Prime Minister his opinion that the time was ripe for the Japanese Government to approach the American Government with a definite program looking towards solving problems impairing relations between the two countries. The Prime Minister replied that the Cabinet had decided that it would seek to bring about only one outcome of the present difficulties with the United States and that was peace, but that he had not yet decided whether the time had arrived for Japan to make a move in the direction suggested. When asked whether Mr. Matsuoka would be allowed to carry on the negotiations when initiated with the United States, the Prime Minister thought for a moment and then said that, although he was not pleased with Mr. Matsuoka's personal conduct since his return to Japan, he felt that Mr. Matsuoka had some exceptional qualities and that he expected to have Mr. Matsuoka remain in office to direct negotiations with the United States.

2. Our informant personally called on Admiral Oikawa, Minister of the Navy, and presented as a conclusion derived from his visit to the United States, that if Japan expected to restore good relations with the United States, it should make it clear that the terms of peace with China exclude political, territorial or other special advantages for Japan in China. The Minister agreed.

3. Our informant said that he had seen several other prominent personages, including Marquis Kido, the Privy Seal, and had found a strong sense of expectation that some approach would be made to the United States. However, Admiral Oikawa and several others had emphasized that any statement issuing from any responsible American source during negotiations between the two countries, suggesting that the solution of Pacific problems would be desirable, primarily from the point of view of removing American apprehension in the Pacific in order to permit of American concentration on the defeat of Germany, would have serious repercussions in Japan—for two reasons: (a) effective Japanese opinion, while willing that the

³² Tetsuma Hashimoto.

³³ Not printed.

³⁴ Former Japanese War Minister.

Japanese Government go far in order to restore good relations with the United States, would not permit the government to be placed in the position of appearing publicly to connive at the defeat of Japan's ally; and (b) the United States would be suspected of aiming at removing danger of war with Japan merely as a stratagem, with intention of turning on Japan after Germany had been defeated. Our informant said that consensus here is that the question whether any initiative should be taken by Japan to restore good relations with the United States would depend on whether or not the United States would be prepared to examine outstanding issues on the basis that the object in view would, if achieved, be contributory toward and a step in the direction of securing stabilization of world peace.

GREW

711.94/5-641

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] May 6, 1941.

We have clear indication that Admiral [Nomura] is having to try to "sell" to his Government (at least his Foreign Office) the project for an agreement between Japan and the United States, to which project the John Doe associates have been telling us that the Japanese controlling authorities (the backers of Colonel [Itakuro]) are already committed in principle.

S[TANLEY] K. H[ORNBECK]

762.94/542½

The Postmaster General (Walker) to the Secretary of State

[WASHINGTON?] May 6, 1941.

Memo.

1. Revelation to the Press (May 6) of the Hitler-Matsuoka interview is intended as a gesture of good will to confirm present conversations.

2. On May 3 the "Super-Cabinet" at Tokyo discussed and approved the proposed "understanding".

To avoid resigning, Matsuoka agreed but asked to be permitted to handle present procedure. This concession was made, temporarily, but the Army and Navy authorities insisted that he act promptly. (Having agreed, he will remain as Foreign Minister—but hardly for long.)

3. Matsuoka, thereupon, cabled an "oral statement" to be transmitted to Mr. Hull. This is intended for home consumption face-saving and as a little bit of poker-playing.⁸⁵

The Japanese here ridiculed this cable and did not wish to present it. I have advised them to present it, while indicating to Mr. Hull its true character.

4. Nomura's recent suggestion re: oil embargoes was made under instructions but not seriously intended. Similarly, Nomura will now touch upon the possibility of a Neutrality Pact with the United States. He *desires* to be told that such a Pact is at present out of the question. This will stop Matsuoka.

5. The Emperor of Japan has been officially informed of the "understanding".

6. The Japanese are most grateful for Mr. Hull's recent replies to the press concerning Japanese affairs.

711.94/5-941

Memorandum by Mr. Joseph W. Ballantine

[WASHINGTON,] May 9, 1941.

Under the procedure contemplated in the Japanese draft,⁸⁶ the President would suggest to the Chinese that they take the initiative in proposing peace negotiations with Japan. Such a procedure, if followed, would, of course, by placing China in the position of suing for peace, stamp Japan as the victor in the conflict and place Japan in a position of tactical advantage in negotiations with China.

The Japanese proposal then provides that, with the "acceptance by the Chiang Kai-shek regime of the aforementioned Presidential request, the Japanese Government shall commence direct peace negotiations with the newly coalesced Chinese Government, or constituent elements thereof".

It is not clear from this wording what the Japanese envisage as likely to be the sequence of developments, as it is not clear how there is likely to be a coalescence of the Wang Ching-wei regime with the Chungking Government except as an outcome of peace negotiations between the Chungking Government and Japan. In as much as Japan has already concluded a "treaty" with the Wang Ching-wei regime, it is not clear what further negotiations Japan would have to conduct with that regime except for the purpose of disposing gracefully of that regime in such a way as to avoid the appearance of a

⁸⁵ See memorandum by the Secretary of State, May 7, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 411, 412.

⁸⁶ April 9, *ibid.*, p. 398.

breach of faith on Japan's part with a regime that Japan has pledged itself to support. The proposed Japanese negotiations with the Chinese would thus presumably include arrangements whereby Wang Ching-wei and his associates would be absorbed into the Chinese Government on an equitable basis.

If this is all that is meant by the provision under reference, it is believed that we should not raise any objection. Unless there is to be reconciliation of the principal political elements in China, the prospect of establishing a solid basis for future stability would not seem to be very hopeful.

On the other hand, Japan may hope by conducting negotiations independently with Chungking and Nanking to use the complacency of the Nanking group as a leverage to force terms favorable to Japan upon the Chungking Government.

It is suggested that the provisions contained in our revision of the Japanese draft would allow for a procedure which would tend to be much safer from the point of view of ensuring adherence by Japan to the terms and conditions provided for in the Japanese proposal.

A procedure which suggests itself is:

(1) That we tell the Japanese that before we enter into discussions with them we consider that it will be necessary for us to inform the Chinese (as well as the British) in strict confidence of our intention to enter into negotiations and of the general scope of the subject of the negotiations;

(2) That we tell the Japanese that, if the Chinese should reply that they would not be disposed to accept a suggestion from the President that they negotiate on the basis of the proposed terms, we would find ourselves unable to proceed with the discussions;

(3) That, if the two foregoing stipulations should be agreeable to the Japanese, the President might proceed formally to offer a suggestion to the Chinese and the Japanese Governments that they enter into negotiations;

(4) That we might also suggest that the Chinese and the Japanese Governments enter into immediate arrangements for an armistice under which both sides would agree to undertake no further offensive military operations, including bombing, in order to ensure that the negotiations may be conducted in an amicable atmosphere;

(5) That we suggest that the proposal for negotiations between the Chinese and the Japanese should take the form of a joint initiative between China and Japan (this suggestion envisages an arrangement whereby this Government would act as a "post office" through which the acceptance by each Government of the President's suggestion and proposals by the Chinese and Japanese Governments for the time

and place of negotiations would be communicated to the other Government) ; and

(6) That we stipulate to the Japanese that the "proposed" declaration of policy and intention should become effective only after the conclusion of a peace settlement between Japan and China.

It is believed that the effect of the stipulation in the foregoing paragraph would be to cause the Japanese to accelerate negotiations and thus influence them in the direction of moderation.

It is believed also that the foregoing procedure as a whole would be fair both to the Japanese and the Chinese. If the Japanese should object to any or all of its features, the ensuing discussion might afford us an opportunity of forcing some conclusion as to whether or not they have some ulterior objective in view.

761.9411/150

The Ambassador in China (Johnson) to the Secretary of State

No. 864

CHUNGKING, May 10, 1941.

[Received May 29.]

SIR: I have the honor to enclose, as of probable interest to the Department, an English translation³⁷ prepared in this Embassy from the text of a telegram allegedly despatched by General Chiang Kai-shek to commanders of the war zones, to provincial party headquarters, and to provincial governments on April 24, 1941, expressing his views of the advantages and disadvantages accruing to China from the conclusion of the Russo-Japanese Neutrality Pact of April 13, 1941. The Embassy obtained the Chinese-language text of the telegram from a reliable source and, on the basis of recent conversations held between General Chiang and the Ambassador and of discussions of Embassy officers with Chinese officials close to General Chiang, entertains no doubt that the document is authentic and actually represents the considered views of the Generalissimo. The views expressed in the telegram are believed to be worthy of the closest scrutiny.

Summary of telegram. Russian supplies are coming into China as usual. The Soviet authorities have given assurances that the Pact has no reference to China, that Soviet policy toward China remains unaltered and that Russia will continue to aid China. The Pact was concluded on Russian initiative and Russia derived advantages from the Pact, Japan disadvantages. The maximum Japanese force which may be withdrawn from Manchuria does not exceed six divisions and use of these divisions in China cannot end the conflict. The Joint Declaration was most regrettable but it is not a permanent obstacle to the integrity and sovereignty of China. Conditions being what they are at present, China alone has the power to check Japan and even if

³⁷ Not printed.

supplies from abroad were completely stopped, China could continue the conflict for two years or more. If Japan launches a further military attack on China there are three possible routes of attack: 1) the northwestern route, 2) the southwestern route and 3) the Yangtze route to Chungking. All these present greater difficulties than the Japanese encountered in taking Wuhan. Following the Pact, Japan has three alternatives: *a*) after Soviet Russia transfers its Siberian forces westward Japan will risk a southward advance; *b*) Japan will wait until Germany attacks Russia when it will attack Russia from the east; *c*) Japan will endeavor to settle the "China incident". But whatever alternative is chosen Japan is on the road to defeat. China will cooperate with the Pacific Powers to check Japan. This is China's fixed policy and it will not be changed. China's resistance is a pillar of strength to the safety of the Pacific. The United States will not come to a *rapprochement* with Japan short of restoration of international justice and the Open Door, nor will Great Britain or Soviet Russia sacrifice China. All officials, soldiers and countrymen must energetically prepare for the future.

It would appear plausible to suggest that General Chiang's object in sending this remarkable telegram to the field was to renew the confidence of officers and men whose morale may have been affected to a certain extent by news of the signing of the Russo-Japanese Neutrality Pact, as well as by German victories in the Balkans, the deterioration of the internal economic situation and the failure of the central authorities to patch up difficulties with the Chinese communists. The telegram constitutes an affirmation of the correctness of the cardinal policy followed by the Chinese Government since the start of the Sino-Japanese conflict, a policy which had as its basic factor the premise that the United States and Great Britain would come to realize sooner or later that they must assist China to check Japan in order to ensure their own protection and security. General Chiang makes the point that that time has now arrived and he is buoyed up by the feeling that he has foreseen the shaping of developments in their true perspective. The telegram seems chiefly significant for the spirit of optimism and confidence in which it is couched notwithstanding the adversities of the past four years, the many difficult problems now confronting China and the future uncertainties of a world engulfed in violence.

Respectfully yours,

For the Ambassador:
EVERETT F. DRUMRIGHT

*The Secretary of the Navy (Know) to President Roosevelt*³⁸

MY DEAR MR. PRESIDENT: I am attaching herewith a formal reply from the Defense Committee of the British Cabinet to the query we

³⁸ Undated but written on stationery of the Office of the Secretary of the Navy; photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

put to Adm. Dankwertz³⁹ on transfer of part of the Pacific fleet to the Atlantic.

Yours sincerely,

F[RANK] K[NOX]

[Enclosure]

REPLY TO CERTAIN UNITED STATES PROPOSALS

AIDE-MÉMOIRE

Inform U. S. authorities that the issues raised by this proposal have been considered by the Defense Committee of the Cabinet and that as such a move vitally affects Australia and New Zealand we have obtained their opinions.

2. Our opinion which is concurred in in general by both Australia and New Zealand is that any marked advance by the U. S. Navy in or into the Atlantic would be on the whole more likely to deter Japan from going to war than the maintenance of the present very large U. S. Fleet at Hawaii, and further that it might exercise a profound influence on the present critical situation in Spain, Turkey and Vichy France. You should therefore strongly encourage American action in this sense.

3. The problem for the U. S. authorities is so nicely to judge the degree of the transfer that while still retaining the deterrent effect of a strong U. S. Fleet in the Pacific, there will also be the deterrent effect of an increased U. S. Fleet in the Atlantic.

4. It is not only the strength but also the composition of the Fleet in the Pacific which will act as a deterrent, and in our view the necessary effect will not remain unless the Fleet in the Pacific consisted of not less than 6 capital ships and 2 aircraft carriers. Inclusion of the latter is considered of the greatest importance.

V. H. DANCKWERTS
Rear Admiral

[WASHINGTON?] 8 May, 1941.

711.94/2133½

*The Postmaster General (Walker) to the Secretary of State*⁴⁰

Private explanation.

The Japanese Government has accepted our assurance that there will be no substantial modifications in the proposed "understanding." They have acted accordingly.

³⁹ Rear Adm. Victor H. Danckwerts, Director of Plans, British Admiralty.

⁴⁰ Received in the Department on May 12, with written notation at top: "This was prepared by my friend [Father Drought] contemplated to give background."

The Understanding and its Explanation⁴¹ represent a revolution in Japanese politics and a triumph of the liberal over the militaristic forces in Japan. It was decided upon after a sharp struggle and in spite of threatened violence.

As proposed, it is a virtual treaty *sanctioned* by the Prime Minister, the Home and Foreign Ministers, the Chiefs of the War and Navy Departments, the Imperial Household *and the Emperor himself*.

The "understanding" is, in no sense, a memorandum from Mr. Matsuoka; in fact, he was the last to approve it, insisting that President Roosevelt, Mr. Hull and Mr. Walker could not support this "understanding" against the opposition of other Cabinet members and political leaders in the United States.

The Emperor had approved the "understanding" on May 8th; but after the speeches of Secretary Knox and Secretary Stimson, the Germans and pro-Axis Japanese insisted that convoys would be an Act of War requiring Japanese military participation on the side of the Axis. They further insisted that President Roosevelt would shortly announce convoys; and that the proposed "understanding" was therefore only an American trick to immobilize Japan. How this opposition was finally overcome we have not yet learned. I do know that cables and telephone messages (heard by myself) were conveyed assuring Konoye, General Muto, Count Arima, Matsuoka that the American Government was incapable of such treachery.

In the document submitted, it is remarkable that the *statement of condition and principles* (insisted upon by Mr. Hull) were considered as the most important elements and have not been changed by so much as a word. I heard Colonel Iwakuro telephone General Muto that *no slightest modification* should be made on these points—which imply the end of the totalitarian, militaristic movement in Japan. Consequently, the measure of Konoye's domestic triumph is that these points have been approved without even a verbal change.

The other changes made in the "understanding" as submitted are not substantial and are explained in the "official explanation" which Admiral Nomura will present as part of the Understanding.

The explicit reference to the Axis Alliance was introduced to settle an argument but the other phrases referring to aggressive action and prejudging any action of the United States as defensive and protective leave the original not weakened but strengthened.

Under China Affair the complete change from specification to oriental generalization is a clever and face-saving compromise for domestic consumption. In fact, the "official explanation" specifies the terms without change from the original.

⁴¹ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 420 and 423.

All references to a "new order" and a "co-prosperity sphere" have been deliberately ruled out by the Japanese Government; though they were asked for by Matsuoka.

I consider the form in which the "understanding" has been presented by the Japanese as an improvement on our original draft.

Colonel Iwakuro who has proved his great political power was most favorably impressed by the courtesy of his reception at San Francisco, by the firm and honest position of Mr. Walker and by the manifest sincerity of Mr. Hull. For the Japanese such things are more important than reasoned arguments.

As the Japanese have now submitted their official understanding, approved by their Emperor, they would be shocked and dismayed if at this time anyone in our Government were to say or do anything hostile to Japan. For us, this might not be misunderstood; but for the Japanese, it would cause consternation.

It would be most helpful to the position of Prince Konoye and his Cabinet, and to the easing of tension, if, on Wednesday night,⁴² President Roosevelt could make some reference to his well-founded hope for peace in the Pacific.

711.94/2086

*The Japanese Ambassador (Nomura) to the Secretary of State*⁴³

PROJECT

I anticipate that the United States Government will propose explanations to the Understanding corresponding to the explanations submitted by me. The explanations submitted by me regarding the Understanding were official and in accordance with the instructions received from our Government. When both explanations are agreed upon by mutual accord, they should be deemed a mutually official supplement to the Understanding.

740.0011 European War 1939/12258

Memorandum by Mr. Lauchlin Currie, Administrative Assistant to President Roosevelt, for the President

[WASHINGTON,] May 13, 1941.

The attached cable from Chiang Kai-shek, addressed to me, arrived yesterday. I think the source of his information was the Chinese Ambassador at Berlin, via Dr. Quo Tai Chi.

I am forwarding a copy to Secretary Hull.

LAUCHLIN CURRIE

⁴² May 13.

⁴³ Notation on file copy: "About May 12, 1941. See Japanese 'explanations' received on May 12, 1941 and memorandum of conversation May 12, 1941." For these documents, see *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 423 and 418, respectively. For draft proposal of May 12, see *ibid.*, p. 420.

[Enclosure]

[WASHINGTON,] May 12, 1941.

Following from Generalissimo—

Message of third instant from President received. Please express my deep appreciation of his sincere assistance. Report has just reached here that if relationship between Germany and United States remains as at present and not worsen Germany is determined to start hostilities against Russia within a month and a half. If convenient, please inform President.

SEGAC ⁴⁴

740.0011 European War 1939/10855 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, May 13, 1941—11 a. m.

[Received May 13—3:45 a. m.]

669. 1. I assume from the present trend of developments that war between the United States and Germany is conceivable.

2. If such a war should occur, Japan would be obligated by the provisions of article III of the Tripartite Alliance of September 27, 1940, to determine in consultation with her allies whether the United States was the aggressor, thus rendering operative the mutual assistance clause of the treaty.

3. Based on a careful estimate of official and public opinion in Japan, it is my belief that predominant influences including the Emperor, the Prime Minister, Baron Hiranuma, the majority of the Cabinet members and also the Japanese Navy, would be reluctant to incur war with the United States and would make every effort to find an interpretation of article 3 which would release Japan from the mutual assistance obligation, provided that this could be done without sacrificing honor and without losing face vis-à-vis the United States.

4. If future developments should lead the United States into war with Germany, it seems important that our Government should have in mind the foregoing considerations with a view to affording Japan, so far as might be feasible in such a contingency, some valid ground for declaring the provisions of article 3 not applicable. Should war with Germany ensue from a German attack on an American warship or other vessel, it would seem reasonable to assume that Japan would find that the provocation and *casus belli* had been given by Germany. If, however, the first shot were fired by an American warship, Japan's obligation under article 3 might in good faith be called into effect.

⁴⁴ Probably the Naval Attaché for Air in China, Maj. James M. McHugh, U. S. M. C.

5. The foregoing thoughts are of course all hypothetical and speculative but I believe they are worth considering.

GREW

740.0011 European War 1939/10906 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, May 14, 1941—6 p. m.

[Received May 14—2 p. m.]

674-675. Embassy's 673, May 14, 5 p. m.,⁴⁶ paragraph 6.

1. I would suggest that a foreigner capable of writing a letter in such fairly faultless English as the one quoted in our telegram under reference is hardly likely to use inadvertently the word "indecent" or to confuse it with "indiscreet". In fact Mr. Matsuoka used the former word more than once. It is also significant that in his letter he makes no retraction of his charge that the United States was guilty of "unmanly" conduct. I am inclined to believe, in the light of my experience today with Mr. Matsuoka and of similar experiences with him on previous occasions, that he was moved to write me the letter not so much because of concern for resorting to discourtesy and even threatening language as by subsequent realization that he might possibly not be able to muster support sufficient to implement his threats against the United States.

2. It was obvious in today's conversation that the Minister was in an extremely bad humor. His attitude was more caustic and bellicose than I have ever seen it before. His bad humor and belligerent attitude might possibly have been caused by his recent illness, but I do not overlook the fact that I caught Mr. Matsuoka at a time when he must have been giving serious thought to the significance of the flight of Herr Hess from Germany.⁴⁷ Mr. Matsuoka and those who are associated with him in formulating and presenting the pro-Axis policy rode into power last year on the wave of Germany's military successes and on their estimate that Germany's ultimate victory was inevitable. If as seems likely the flight of Hess is an indication of serious disunity in Germany, it might well be that Mr. Matsuoka is being hard put to it to defend the wisdom of a policy for which he is largely responsible and to which he is committed and to explain the glowing reports which he brought back from Berlin of German unity and of the inevitability of German victory.

GREW

⁴⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 145.

⁴⁷ Rudolf Hess, Deputy to Adolf Hitler and member of German Secret Cabinet Council, Minister without Portfolio, who flew from Germany to Scotland in May.

711.94/1987 Suppl.

The Adviser on Political Relations (Hornbeck) to the Ambassador in Japan (Grew)

WASHINGTON, May 14, 1941

DEAR MR. GREW: With reference to my strictly confidential letter of May 2, there are enclosed for your information copies of memoranda of conversations which the Secretary of State had with the Japanese Ambassador on May 2, May 7, May 11, and May 12⁴⁸ on the subject of relations between the United States and Japan. There are also enclosed copies of the proposal presented to the Secretary of State on May 12 by the Japanese Ambassador under authorization from the Japanese Government, an explanatory statement which the Japanese Ambassador presented at the same time,⁴⁹ and a "Private Explanation" prepared by Father Drought.⁵⁰

The proposal now presented appears to offer a much less promising basis of an agreement or understanding than the earlier draft proposal⁵¹ which the Japanese Ambassador said he had referred to his Government.

Information on this subject continues to be treated here in the strictest confidence and it is therefore requested that the contents of this letter and its enclosures be made known only to Mr. Dooman and that no information regarding this subject in any phase be imparted to any other person.

Yours sincerely,

STANLEY K. HORNBECK

740.0011 European War 1939/10934 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 15, 1941—3 p. m.
[Received May 15—6:25 a. m.]

679. Embassy's 673, May 14, 5 p. m.,⁵² paragraph numbered 6. I replied to the letter received from Mr. Matsuoka last evening in a letter in my handwriting today as follows.

[“] Dear Mr. Minister: Many thanks for your letter received last night. It is my belief that the American Government is exercising careful discretion and that the course which it is following is eminently

⁴⁸ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 411, 415, and 418.

⁴⁹ *Ibid.*, pp. 420 and 423.

⁵⁰ Received May 12, p. 184.

⁵¹ April 9, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 398.

⁵² *Ibid.*, p. 145.

reasonable both in appearance and in fact, but in the face of great provocation our people, as history shows, have not been and are not now inclined to allow an over cautious attitude to interfere with vigorous action in defense of their rights and legitimate interests or in following what they conceive to be the dictates of humanity.

I naturally regret the grave and far-reaching implications of your Excellency's remarks in our conversation yesterday but I shall hope to have further talks with you in due course.

In once again expressing my appreciative thanks for your letter, I am very sincerely yours, Joseph C. Grew."

GREW

711.94/5-1541

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] May 5, 1941.

May 15, 1941.

In regard to the question of relying upon a treaty pledge given by Japan:

Is there any more reason for us to trust the militant militaristic element that is in control in Japan today (and which has been in control there since 1931) than to trust the militant militaristic element that is in control in Germany today (and which has been in control there since 1933) ?

Would a treaty or agreement made with either of these controlling elements be any more to be relied upon than would a treaty or agreement made with the other ?

What respect either of those powers might show for the pledges which they might give in a treaty is problematical. But that both are bent upon imperialistic expansion by any and all means of which they may have opportunity to avail themselves is generally understood and admitted; and that each proceeds on the principle that the end justifies the means is all too obvious.

If we choose to conclude a treaty with Japan, that is one thing. But if we think that by the concluding of a treaty and by placing reliance upon pledges given by Japan in such treaty we shall have safeguarded our position in the Pacific, shall have made ourselves secure there, and shall have been put in position *safely* to move our Navy (or the major portion of our battle fleet) into the Atlantic (thus abandoning our Far Eastern front)—that will be quite another thing.

Japan has "fooled" us and other countries with treaty pledges many times in the past. So much the worse for Japan. Thus far the "foolings" have not been fatal to us. But let us not "fool" *ourselves*. If we let ourselves be "fooled" both by Japan and by ourselves: if we

rely for our *security* (or any part of it) on Japanese pledges—there may come fatality.

Japan is on the march—and she has been winning. Why should she stop—stop of her own accord? Japan wants relief from her embarrassments in China. Yes. But not because she has been defeated in China; not because it is clear that she cannot win in China. She wants to divert from the China campaign to possible other fields a considerable part of her armed forces and a substantial portion of her resources and reserves. A promise by Japan to withdraw her armed forces from China and steps by Japan in partial fulfillment of that pledge would cost Japan nothing. For, withdrawal of Japanese forces from China can only take place step by step and will take time. Each soldier that Japan takes out of the China campaign means one more soldier available to Japan for use elsewhere. The same is true regarding ships and every kind of matériel and every yen or dollar of exchange. And, the freer Japan becomes and the better prepared Japan becomes for adventuring elsewhere than in China, the greater the danger that Japan will adventure elsewhere (and even against the United States). Moreover, no matter how much Japan may withdraw *from* China, it will remain a fact that, so long as Japan's military machine is intact and Japan's militant militaristic element is in control in Japan and Japan is not involved elsewhere, Japan would be in position to go back at her convenience and almost at a moment's notice *into* China.

Under existing circumstances, if and when we enter into a treaty with Japan we can be *sure of* but one thing and we can with warrant make but one assumption: namely, that by the fact of having entered into such treaty (no matter what its provisions) we will have contributed to a strengthening, temporarily at least, of the position in Japanese politics of those persons in Japan with whom in fact we will have concluded the said treaty.

In the realm of conjecture, it is my opinion that in so far as the conclusion of such a treaty might contribute toward withdrawal by Japan of increments of her armed forces from China, we, in entering into such a treaty, would have assisted Japan toward an improving of her position for pursuit of a policy of further adventuring southward or adventuring even against us; and that we would have contributed to an *increasing* of the danger that the United States may before the "European" war is brought to a conclusion have to fight in *two* oceans.

711.94/5-1541

*Memorandum by the Adviser on Political Relations (Hornbeck) to the
Under Secretary of State (Welles)*⁵³

[WASHINGTON,] May 15, 1941.

A withdrawal, beginning now and taking place progressively, of Japan's armed forces from China (south of the Great Wall), effected under the terms of an agreement or agreements (as distinguished from exigencies of military, economic and political necessity), would open the way to one or more developments, as follows:

The Japanese army and its equipment could be reorganized and rehabilitated—for new uses.

That army and the ships and the resources which have been supporting it could be used for movements southward or northward or eastward—or even again against China. Just as Japan has already attacked and invaded China, so Japan might again at any opportune and convenient moment, so long as her armed forces are intact and her militant militaristic element is in control, again attack and invade China.

China might easily become more ripe for an invasion with success than she was in 1937. It is generally understood that during several years preceding 1937 China, under the leadership of Chiang Kai-shek et cetera, was making substantial progress toward becoming a strong country; and that one effect of Japan's invasion beneficial to China has been that, having to fight or to become enslaved and having chosen to fight, the Chinese have gone far in the direction of national unity. At the same time, there remain in China "the makings" of renewed civil strife, and China has been weakened economically and socially by four years of armed resistance under adverse conditions to the Japanese invader. The Chinese, now substantially united under pressure from without, might readily fly into factions were that pressure suddenly removed. Should that happen, a magnificent opportunity would be presented to the Japanese to return to the conflict, invade China, and succeed in bringing to a victorious end that chapter in their program of expansion which relates to the conquest of China.

No contribution by any person or any country toward effectuating removal of the Japanese armed forces from China under conditions and on terms which leave that army undefeated and intact and which leave the militant militaristic element in Japan in control undis-

⁵³ Submitted to Mr. Welles with covering notation: "Herewith brief observations of some of the possible effects of a possible rendering of assistance to the Japanese toward withdrawal by Japan under existing conditions of Japan's armed forces from China."

credited (and in fact strengthened) will be beneficial to China, a kindness to Japan, helpful toward peace in the Far East, or of assistance to the cause of making the world safe for peace-loving peoples—including the United States.

893.01 Manchuria/1646

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] May 15, 1941.

MR. SECRETARY: Herewith brief observations⁵⁴ in relation to the question whether this Government should in any way associate itself with an effort to persuade or induce the Chinese to recognize "Manchukuo", and to the further question of whether this Government should itself without there first having been a voluntary Chinese recognition recognize "Manchukuo".

893.01 Manchuria/1646

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] May 15, 1941.

More philosophers than one, but one in particular, Ralph Waldo Emerson, have given expression to the proposition that abandonment of principles is a beginning of trouble for him who does the abandoning.

Persons or nations possessed of principles which have been evolved out of their own experiences, their own observations, their own reflection, et cetera, can function under and within the boundaries of those principles with a knowledge of what they are doing and some pretty definite ideas of where they are going or are not going. But, once they abandon their principles they move into the unknown and they subject themselves deliberately to unpredictable hazards and unforeseeable dangers.

Out of experiences, observations and reflection of the American people, there has evolved a principle to which there has been given by the American Government during recent decades an expression in formula: the principle of nonrecognition of situations *de facto* which have been brought about by acts contrary to law and/or to express agreements. This principle has been affirmed by the American Gov-

⁵⁴ *Infra.*

ernment on a number of occasions, for instance in 1915,⁵⁵ in 1921,⁵⁶ in 1932,⁵⁷ and, it has been written into international agreements to several of which the United States has become a party during the period since 1932—especially agreements among the American republics—and it was affirmed by the League of Nations in 1932.⁵⁸

It is submitted that it would be unwise, inexpedient and of doubtful morality for the Government of the United States in the light of this country's record, in the light of many affirmations and many acts of the present administration, and in the light of conditions which now exist and problems which confront the world, to associate itself with any movement or any effort on the part of any other government or nation to eliminate or to disregard or to weaken or to undermine the principle of nonrecognition.

S[TANLEY] K. H[ORNBECK]

740.0011 European War 1939/10983 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, May 16, 1941—3 p. m.

[Received May 16—8:50 a. m.]

686. Embassy's 673, May 14, 5 p. m.; ⁵⁹ 674, May 14, 6 p. m.; 679, May 15, 3 p. m.

1. A trustworthy Japanese contact informs us today in strict confidence that he yesterday called on or was otherwise in touch with the Prime Minister, Baron Hiranuma, Minister of Navy, Minister of Justice, and the Privy Seal, and that these persons had informed him that Mr. Matsuoka's report to the Cabinet of his interview with me on May 14 was substantially as follows:

The American and British Ambassadors had called on him together. The British Ambassador had immediately put to Mr. Matsuoka a series of sharp interrogatories designed to elicit from Mr. Matsuoka a clear statement of the attitude which Japan would take in the event of war occurring between the United States and Germany.

Mr. Matsuoka had replied firmly and incisively to these interrogatories. He had pointed out to the British Ambassador that the policies

⁵⁵ See telegram of May 11, 1915, 5 p. m., to the Ambassador in Japan, quoting text of note to be presented to the Japanese Foreign Office, *Foreign Relations*, 1915, p. 146; a similar instruction was sent to the Minister in China.

⁵⁶ See memorandum of May 31, 1921, to the Japanese Embassy on Japanese activities in Siberia, *ibid.*, 1921, vol. II, p. 702.

⁵⁷ See telegram No. 7, January 7, 1932, noon, to the Ambassador in Japan, *Foreign Relations*, Japan, 1931-1941, vol. I, p. 76; a similar instruction was sent to the Consul General at Nanking as No. 2, *Foreign Relations*, 1932, vol. III, p. 7.

⁵⁸ See League of Nations Assembly resolution of March 11, 1932, *Foreign Relations*, Japan, 1931-1941, vol. I, p. 210.

⁵⁹ *Ibid.*, vol. II, p. 145.

of the United States with regard to the European war appeared to make a war between the United States and Germany inevitable. Mr. Matsuoka had affirmed that Japan would not hesitate to discharge its obligations assumed under the treaty of alliance with Germany and Italy. The debate between the British Ambassador and Mr. Matsuoka had then become rather heated and Mr. Matsuoka had gone perhaps further than he would ordinarily have done, but he had nevertheless emphasized that the extension of hostilities would be a catastrophe and that the United States should exercise every care to avoid bringing about a world cataclysm. The American Ambassador had taken practically no part in this conversation.

2. We informed our Japanese contact of certain salient facts: First, that the British Ambassador was not present during my conversation with the Foreign Minister. Second, that I had no prior knowledge of the interview which took place between Mr. Matsuoka and the British Ambassador subsequent to my interview with Mr. Matsuoka. Third, that Mr. Matsuoka had used threatening language to me. And finally, that Mr. Matsuoka had subsequently tried to explain to me that it had been his intention to convey to me an impression more moderate than the language which he had inadvertently used would warrant. I believe that our contact will convey that information to the proper quarters.

3. The Privy Seal asked our informant to convey to me the message that I was not to be unduly aroused over the statements and attitude of the Foreign Minister, for the reason that there are persons in the Government who are exercising care to prevent the taking by Japan of hasty action. The Minister of the Navy asked our informant to remind me that any decision so grave as that of implementing any obligation which Japan might have under her alliance with Germany could not be taken by the Minister for Foreign Affairs alone.

GREW

740.0011 European War 1939/10982: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТоКУО, May 16, 1941—5 p. m.
[Received May 16—8:50 a. m.]

688. The French Ambassador who called on the Foreign Minister on May 14 gives me in strict confidence the following account of the statement made to him by Mr. Matsuoka with regard to relations between Japan and the United States:

Mr. Matsuoka said that he had known the President for some time and that he had just taken steps to appeal personally to the President to avoid the taking of provocative action against Germany. If war should occur between the United States and Germany, Japan would

be obliged to consider the circumstances then existing in the light of her obligation under the alliance with Germany and Italy, that he feared that Japan would be obliged to take sides with Germany and that the ensuing war would be completely destructive of our civilization.

GREW

711.94/5-1641

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁶⁰

A DRAFT

[WASHINGTON,] May 15, 1941.

May 16, 1941.

The Governments of the United States and of Japan share in common the hope that, by a joint effort, their nations may effectively contribute toward preservation of peace and consummation of justice in the Pacific.

The two Governments declare that it is their concept and conviction that the nations and races of the world, each having rights and having obligations, with a mutuality of interests best promoted by peaceful processes and naturally directed to the safeguarding and improving of their national welfare, which each is bound to defend for itself and should be bound not to destroy for others, should admit and live up to their responsibilities and should refrain from and oppose any oppression or exploitation of any nations or races.

The two Governments will endeavor to prevent further extension of the European war and will exert their influence toward restoration of peace in Europe.

The two Governments will refrain from war in the Pacific and will oppose belligerent operations in that area.

The Government of Japan declares that its alliance with the Axis powers is defensive only, that its hope is to deter any nations which are not already involved in that war from entering into it, and that its obligations of military assistance under the Tripartite Pact are limited.

The Government of the United States declares that its attitude toward the European war is determined by no intention of aggression and will be determined solely and exclusively by considerations of the safeguarding of its own national security.

The two Governments will confer with the Government of China, in the hope of bringing about entry upon and conclusion of an agreement between Japan and China for the termination of hostilities be-

⁶⁰ Transmitted by Dr. Hornbeck to Messrs. Hamilton and Ballantine.

tween those two countries and resumption of peaceful and mutually beneficial relations between those two countries.

The two Governments each undertake to place no artificial obstacles in the way of a free flow of commodities between the two countries in amounts not less than are necessary for normal economic activities, except as regards such commodities as may need to be reserved in either country for purposes of national defense and security.

The two Governments each undertake to take no action in or with third countries discriminatory in character or in natural effect against the legitimate interests of the other country.

The two Governments agree to cooperate toward making universally effective the principle of equality of commercial opportunity in terms of equality of treatment.

The two Governments agree to cooperate in peaceful procurement and assurance, to meet the needs of each, of essential materials—such as oil, rubber, tin, nickel et cetera—from areas where such materials are produced.

793.94119/748

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] May 16, 1941.

The British Ambassador called at my request. I stated that I understood that he was being kept informed of the often recurring rumors and reports from one source or another about the United States negotiating peace between Japan and China. He said that he had not heard of anything recently. I remarked that I was informed that he had heard of some of the later rumors. He then said that he had heard nothing except the report contained in a letter of May fifteenth to me from the Australian Minister,⁶¹ repeating a peace proposal given to Mr. Willkie⁶² by a Japanese individual, and, in turn, given to him, the Minister, by Mr. Willkie.

I said that I had noticed this same thing floating about, but that I had not thus far treated it seriously. There were two groups in Japan—one pro-German and the other a peace group among the statesmen and high officials. According to one report the latter group really wants to return the policy of Japan back to one of law and order and away from military conquest, et cetera, et cetera; that, as the report goes, they would move their troops out of China, pledge her independence and the principle of non-discrimination to all nations dealing with China and make clear her desire and purpose to

⁶¹ Not found in Department files.

⁶² Wendell Willkie, Republican candidate for President in 1940.

support peace and oppose war being brought into the Pacific area. This would include the integrity of Chinese territory and sovereignty and the policy of the open door in every way. I said again that I had not taken any of these things seriously. The Ambassador repeatedly showed special interest in the matter and said he thought that I should develop and explore it even though there might not be one chance in twenty-five for its successful development.

C[ORDELL] H[ULL]

740.0011 European War 1939/10997 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 17, 1941—1 a. m.
[Received May 16—2:40 p. m.]

696. Embassy's 679, May 15, 3 p. m. I have just received from Mr. Matsuoka the following letter marked "entirely private." My comment had better await my next conversation with the Minister which it appears will be arranged shortly.

With regard to the phrase "grave and far-reaching implications" in my letter of yesterday, no other interpretation could intelligently be placed on the Minister's remarks to me on May 14 as reported in my 673, May 14, 5 p. m.⁶³

"My dear Ambassador: In acknowledging receipt of Your Excellency's private letter of yesterday's date, I need hardly tell you that I would be glad to have a further talk with you. Only let me frankly state that even I know how to be correct as a Foreign Minister if I want to be but Your Excellency need not, I believe, be told that such an attitude on my part will not be conducive to better understanding between us. As I said in our conversation on Wednesday, I very often forget that I am a Foreign Minister; to tell you the truth, I am seldom conscious of the fact that I am a Foreign Minister. Especially, I am apt to lose the sense of nationality when I converse with Your Excellency, pouring out my heart as man to man. I always feel that unless we could chat freely with such mental attitude, there would be little use in meeting and talking. I honestly hate the so-called correct attitude taken by many diplomats which, as you know, hardly get us anywhere.

Can you say, my dear Ambassador, why I spoke so frankly, I might say, even bluntly? Often am I tempted to wish that Your Excellency may forget that you are representing your country, laying aside, so to speak, the Ambassadorship, so that I may feel that I am addressing only a friend to whom I can bare my thoughts.

I wonder if Your Excellency can understand how intensely my innermost soul is troubled and even agonized these days. Ever since I was running about in my knee pants in your country, I have been dreading that modern civilization which with all its good points

⁶³ *Foreign Relations, Japan, 1931-1941, vol. II, p. 145.*

smells of rank materialism, will one day be condemned to destruction unless we retrace our steps and mend our ways so that human society could be placed upon a higher spiritual plane. That day of doom is, to my mind, actually approaching, although I still dare to cling to hope and earnestly desire to contribute my little bit towards preventing it.

As I wrote to Your Excellency what really worries me at this moment are the attitude and actions likely to be pursued by your great country. I am praying to God day and night that the President of your country may realize the great responsibility he owes to God and humanity and refrain from exasperating Germany by further acts of provocation finally exhausting the patience of Herr Hitler. It would bring no good to anyone. Let me, by the way, tell Your Excellency frankly that as to the question of provocation, I believe Germany has exercised so far an awful lot of patience in trying to avoid a conflict with your country, shutting eyes to many things that must have appeared to her as provocations on your part.

It looks as if America might, after all, be drawn into the European war—perhaps God ordains it so, who knows? And if America should get somehow involved in the vortex of war by attacking or being attacked—this point is rather immaterial—the very thought is enough to send shivers through my backbone: surely we must then face the Armageddon. Confronted by such thought, mere quibblings about the niceties of international law, rights or legalities of certain actions lose their value. When modern civilization is wrecked, there will be left no question of defending democracy or upholding totalitarianism, until perhaps two or three thousand years hence when a new kind of civilization will have been erected on the debris of the present civilization. I often indulge in thoughts in terms of one thousand or two or even three thousand years. It may strike Your Excellency as if it were a sign of insanity but I can not help it as I am made that way. Perhaps a man like Herr Hess belongs also in the same category. Of course it is very hard to judge whether or not a man is truly unsound in his mind. Only I should say I may be regarded sane in the opinion of the average man for the fact that I have not yet flown to Washington or Chungking. Whatever opinion Your Excellency may entertain about my mental state, I am sincerely and fervently praying to God to avert the impending crisis.

At Rome I had the occasion to discourse leisurely with His Holiness the Pope on world situation and the future of mankind. We agreed that there was hardly any hope to recover peace on earth in the nearest future. We parted with the promise to pray together to God for peace and the salvation of human soul. Of course, this bit of information should be confidential lest His Holiness' position may be compromised by misapprehension. The outstanding impression of my recent European trip is that I met a real Godly man in the person of His Holiness.

I do not need, I think, remind Your Excellency that the above words would not have been uttered as a Foreign Minister, these words have no place in our official relations; I confide them to Your Excellency as a world citizen because I have always regarded Your Excellency as something more than an Ambassador, viz, a human being to whom I may frankly reveal my deeper thoughts and ideas.

I do not know what Your Excellency means by "grave and far-reaching implications" of my remarks in the course of our recent conversation. Some misapprehension either on my or Your Excellency's part. I cannot recall any remarks of mine that Your Excellency might regret or fear of "grave and far-reaching implications".

Would it not be well, my dear Ambassador, as Your Excellency seem also to desire it, if we met and talked at length and with frankness in a day or two?

I have directed Kase⁶⁵ to make an appointment, preferably sipping tea together at my private residence.

Yours very sincerely, Matsuoka."

GREW

711.94/2207

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] May 17, 1941.

The British Ambassador called to see me this morning.

The Ambassador referred to his conversation of yesterday with Secretary Hull and asked what I thought the prospects might be with regard to the Japanese conversations. I replied that whatever the chances might be, it seemed to me that it was of the highest importance that the fullest opportunity be taken to explore the matter and that I was of the personal impression that there was no reason to believe that the outlook was completely unfavorable. I said that I shared the view which Secretary Hull had probably expressed to the Ambassador, namely, that the chances might not be better than one in ten.

I gave the Ambassador to read the telegram from Ambassador Grew⁶⁶ containing the text of the latest letter sent to the Ambassador by Mr. Matsuoka. The Ambassador expressed the opinion that the letter bore evidences of lunacy. I said that I had formed that impression myself, but that this might be due to the fact that Mr. Matsuoka was understood to be drinking extremely heavily at this time and the mental state apparent in the writing of this letter might be momentary rather than permanent.

S[UMNER] W[ELLES]

711.94/2133*

*Document Received in the Department of State Through Father
Drought on May 17*

II. The attitude of the United States and of Japan toward the European war.

⁶⁵ Toshikazu Kase, of the Japanese Foreign Office, who accompanied Mr. Matsuoka to Moscow and Berlin.

⁶⁶ No. 696, *supra*.

The Government of Japan declares that the purpose of the Tripartite Pact was and is defensive and is designed to prevent the nations which are not at present involved in the European war from participating⁶⁷ therein, and declares that its obligations of military assistance under the Tripartite Pact between Germany, Japan and Italy will be applied in accordance with the stipulation of Article 3 of the said Pact.

The Government of the United States declares that its attitude toward the European hostilities is and will continue to be determined solely and exclusively by considerations of protection and self-defense: Its national security and the defense thereof.

III. When this declaration of policy and intention is agreed upon, and both Governments have given it their approval and commitment, the President of the United States will suggest to Chiang Kai-shek to enter with Japan into a negotiation for a termination of hostilities and resumption of peaceful relations on a basis of terms conveyed by the Government of Japan to the President of the United States.

The Government of Japan declares that in conformity with the policy of the Japanese Government to establish a relationship of neighborly friendship with China, the terms in question have been based on the three principles set forth in the Konoye Statement and the principles set forth, on the basis of the said three principles, in the Treaty concluded with the Nanking Government as well as in the Joint Declaration of Japan, Manchoukuo and China.

V. Economic activity of both nations in the Southwestern Pacific Area.

Asserting and affirming that Japanese activity and American activity in the Southwestern Pacific area shall be carried on by peaceful means, the Japanese Government and the Government of the United States agree to cooperate and support each other toward ensuring, on the basis of mutual benefit, fair dealing and friendly cooperation, mutual access by Japan and the United States to supplies of natural resources (such as oil, rubber, tin, nickel) which each country needs for the safe-guarding and development of its own economy.

740.0011 European War 1939/10998 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, May 17, 1941—6 p. m.

280. Your 698, May 17, 11 a. m.⁶⁸ The Department believes that in your talk with the Minister for Foreign Affairs it would be desir-

⁶⁷ "engaging" (in Father Drought's handwriting).

⁶⁸ Not printed; it reported Mr. Matsuoka's wish to see Mr. Grew "for another talk" on May 19.

able for you to stress the fact that the attitude of the United States toward the world movement of conquest is based upon the fundamental consideration of the inalienable right of self-defense and that this country will of course take such measures of self-defense as may be necessary in resistance to a movement which, as the utterances and acts of the Nazi leaders have made abundantly clear, is directed to world conquest by force. It is suggested that you might appropriately refer to pertinent passages of the Secretary's address before the American Society of International Law on April 24.⁶⁹ The text of the address is contained in Radio Bulletin No. 97 of that date.

HULL

711.94/2098 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 19, 1941—9 p. m.

[Received May 19—8 p. m.]

706. 1. I understand that the American correspondents have noted in their despatches the two calls which the German Ambassador made on May 9 and 12 on the Foreign Minister at the Foreign Office immediately preceding the interview which I had with Mr. Matsuoka on May 14.⁷⁰ I have just heard from a reliable Japanese that the German and Italian Ambassadors secretly spent afternoon and evening of May 10 as the guests of Mr. Matsuoka at the country villa of the father-in-law of Mr. Matsuoka's private secretary. The repeated and in one instance secret meeting between Mr. Matsuoka and the Axis Ambassadors immediately before the interview which I had with Mr. Matsuoka when the latter, notwithstanding the long interval which had elapsed since our last meeting, indulged in bellicose language cannot be lightly dismissed.

2. That the Axis Ambassadors have been stiffening the back of Mr. Matsuoka I have no doubt. Mr. Matsuoka's slogan and the proposition which brought about his appointment as Foreign Minister was that the United States could be frightened into isolation. I am certain that Mr. Matsuoka is well aware that as the Triple Alliance was a complete failure if not a disaster from the point of view of the effect which it was intended to have on the United States, no further threat he could utter could be expected to have the desired effect on us. For him to attempt now to placate the United States would be an unqualified admission that the basis on which he was able to bring about the

⁶⁹ See extracts from address handed to the Japanese Ambassador on May 16, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 430.

⁷⁰ See telegram No. 673, May 14, 5 p. m., from the Ambassador in Japan, *ibid.*, p. 145.

commitment of Japan, perhaps irrevocably, to a position of dangerous opposition to the United States is completely wrong. As I see it, he is in the position therefore of being forced, whether or not against his judgment and knowledge, of continuing to pursue a course of intimidation. If I am correct in this analysis, I can well understand that the solicitations of the Axis Ambassadors which must be assumed to be that Mr. Matsuoka should stand firm against United States would be welcome to Mr. Matsuoka.

3. There is a further point and this I must clearly label as speculative. I refer to Mr. Matsuoka's views as expressed to the French Ambassador concerning the possibility of Japan's dealing with Chiang Kai-shek (please see our 689, May 16, 6 p. m.⁷¹). From the most unpleasant impressions which I derived from recent personal contact with Mr. Matsuoka, I am disposed to attach more than passing importance to current rumors growing out of the divergence of opinion between the Foreign Minister and the Japanese Ambassador in Nanking,⁷² to the effect that Mr. Matsuoka is attracted by the idea of making peace with Chiang Kai-shek even at the cost of radically altering Japan's terms, not for the purpose of removing one of the most serious obstacles to adjustment of relations with the United States but if possible to draw China into the Axis orbit. The suggestion is in short that China should be tempted into the Axis by an offer to withdraw Japan's forces from China. Whether any such proposition would be acceptable to China I do not presume to say. Although the proposition that the China conflict can be terminated on the basis of China's joining the Axis might be put forward in a form beguiling to the masses, among informed Japanese it is being discussed with considerable irony. One Japanese contact said that he could see no difference whatever between the attitude of England toward Nazi Germany and that of China toward Japanese militarism—in either case more importance was attached by England and China respectively to their defeating the untrustworthy regimes offering peace terms than to the apparently magnanimous nature of the terms themselves. This informant was of the opinion that China would prefer to accept fairly exacting terms from a Japan whose foreign policies were oriented or [on?] England and the United States than generous terms from a Japan allied with the Axis. I need hardly add that the writing off of the costs of the China conflict would not be in line with the ideas being put forward by the Japanese Ambassador in Nanking, presumably with the support of the army in China.

GREW

⁷¹ Vol. v, p. 504.

⁷² Kumataro Honda.

711.94/2099 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 19, 1941—10 p. m.
[Received May 19—6:30 p. m.]

707. 1. Unlike my interview with the Minister for Foreign Affairs at the Foreign Office on May 14,⁷³ our conversation this afternoon at his private residence, which lasted for nearly two hours, took place in an atmosphere of informality. After taking tea together we strolled in his private garden, both smoking pipes and chatting informally.

2. The Minister repeated that in our last conversation, even though it took place at the Foreign Office and was the first since his return from Europe, he had been speaking to me informally and not as to the American Ambassador and he had been much surprised to have received word from Admiral Nomura that you had said to him that the Minister had "intimidated" (Japanese word *kyoi*) me in our last interview. The Minister had therefore cabled back to Admiral Nomura to tell you when he happened to see you again that "he had neither intended ever to intimidate or ever actually had intimidated me but that he had merely stated in connection with my queries and arguments his own thoughts honestly and straightforwardly as is his usual custom." He said to me, "I always think it best to lay aside as far as possible all formalities pertaining to our official positions and talk very frankly. Never have I imagined you would cable our talk to the State Department or else I would have been more careful and have taken a correct attitude."

3. I said to the Minister that in my report of our conversation I had used the word "bellicose" as applying to the tone and substance of what he had said to me and I thereupon repeated the pertinent remarks which he had made to me which I had been led to characterize as having "grave and far-reaching implications." The Minister did not question the accuracy of my report but said smilingly that while his words might have been bellicose his heart and thoughts were peaceful.

4. I said to the Minister that as American Ambassador to Japan one of my primary duties was to ascertain correctly the policy of the Japanese Government and to report that policy to my own Government just as Admiral Nomura must be doing similarly from Washington and that my only official channel for learning that policy was through him as Minister for Foreign Affairs. When, therefore, he discussed policy with me even as Mr. Grew and not as the American Amba-

⁷³ See telegram No. 673, May 14, 5 p. m., from the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 145.

sador it seemed to me obvious that I must report his views to my Government because he spoke for the Japanese Government. The Minister disagreed on the point and said that he was opposed to such reports because they often failed to give the correct impression and that while he was in Europe he had sent to the Cabinet only the briefest reports of his various conversations. He said that in discussing with me in our last conversation his views as to the applicability of article 3 of the Tripartite Pact he was dealing with a hypothetical situation and he was speaking merely his own personal views and not those of the Japanese Government. He nevertheless confirmed to me his views as expressed on May 14, namely, that if we should convoy our ships to England and if some of our ships should be sunk by the Germans and if war between Germany and the United States should ensue he thought that article 3 would come into force and that it would mean war between the United States and Japan. He said that he himself had strongly urged Hitler not to sink our ships.

5. I then said that the policy and actions of the United States toward the world movement of conquest were based upon the basic consideration of the inalienable rights of self-defense and that we would, of course, take such measure of self-defense as might become necessary in resisting a movement directed at world conquest by force which the utterances and the Nazi leaders had made it absolutely clear to be their policy and intentions. I spoke of the principles of international law in their application to freedom of the seas and to ineffective blockades and expressed the view that if Japan really desired peace with the United States our own measures of self-defense could not be interpreted as acts of aggression. The Minister replied that many principles of international law had been discarded both in the past war and in the present one and that if the United States should go to war with Germany there would have to be deliberation with Japan's allies as to the applicability of article 3 in which Japan would have only one out of three votes. I expressed astonishment that Japan could thus be led to surrender her freedom of action in an issue of such vital importance to Japan's own future. The Minister merely remarked that if we were to provoke Hitler the outcome might be exceedingly dangerous. I read to the Minister certain reported utterances of Hitler with regard to his aims at world domination with particular reference to the United States. The Minister expressed surprise and doubt at the authenticity of these reports because Hitler had assured him in Berlin that he bore no animosity and had no intentions against the United States.

6. I said to the Minister that as he had set forth to me his own views regarding the policy of Japan I desired to make perfectly clear

to him the attitude of my own Government towards this whole issue and having asked for a further 10 minutes of his time I read to him the entire text of your address before the American Society of International Law on April 24 on the subject "The United States and the World Situation".⁷⁴ (I wish that Mr. Matsuoka could have heard your constructive address on the occasion of the inauguration of National Trade Week⁷⁵ to which I have just listened on the radio but I shall see that the text is brought to his attention.) The Minister listened carefully to my reading, continually nodding his comprehension of every point and at the conclusion he said that he considered your address a very fine and clear presentation of the American point of view. He, however, wished to point out that there were other viewpoints and it seemed to him that we Americans were unable to put ourselves in the place of the other parties concerned. I replied that we must be guided by facts and actions which had rendered the position and attitudes of the other parties perfectly clear.

7. I told the Minister of the rumors which were floating around Tokyo with regard to our conversation of May 14, some of which had come to me from highly placed Japanese and which were so contrary to what had been said that I had been astonished at these stories. I repeated some of these reports to him and the Minister said that of course they were absurd. I mentioned one report, without revealing the source, that the Minister had just taken steps to appeal personally to the President to avoid the taking of provocative action against Germany. Mr. Matsuoka replied that the only message which he had sent to the President of such a nature was through Ambassador Steinhardt at Moscow.⁷⁶

8. At the termination of our conversation the Minister said he hoped for frequent further talks and he thought that to gather informally around the tea table was the best method of conducting them.

9. The foregoing is a necessarily discursive report of the principal points which emerged in a 2-hour conversation.

GREW

711.94/2119 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 21, 1941—7 p. m.
[Received May 21—2:14 p. m.]

717. For the Secretary and Under Secretary. 1. We hear from a trustworthy Japanese that an American newspaper is reported yes-

⁷⁴ Department of State *Bulletin*, April 26, 1941, p. 491.

⁷⁵ Delivered May 18, Department of State *Bulletin*, May 17, 1941, p. 573.

⁷⁶ See telegram No. 738, April 11, 5 p. m., from the Ambassador in the Soviet Union, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 184.

terday to have published the terms of a plan designed to adjust Japan's relations with the United States which was said to have been laid before the American Government by private Japanese in the United States. Our informant said that press despatches reporting this story had been suppressed by the Japanese censor but that he had heard that the terms were substantially as follows: (a) Trade relations between the United States and Japan to be stabilized; (b) Japan to be assured of supplies from the Netherlands East Indies of essential materials; (c) United States to mediate between Japan and China; (d) unless Germany is "attacked" by the United States, Japan is to refrain from participating if war should occur between the United States and Germany.

2. Our informant stated that there is reason to believe that Colonel Iwakuro is interested in some plan of this kind. Our informant had just seen the War Minister and had urged the prime importance of some constructive effort being made by Japan before May 27, when the President is scheduled to deliver an important address, and the War Minister had replied that the informant could rest assured that something was being done. He had also talked to the Privy Seal on this subject and the latter had remarked smilingly that Iwakuro had apparently become extremely pro-American since his arrival in the United States.

GREW

711.94/2118 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 21, 1941—8 p. m.

[Received May 21—9: 25 a. m.]

718. A highly placed Japanese informs me that a message was recently sent to Baron Hiranuma by several prominent Japanese of high rank that if a crisis should occur in Japanese foreign relations (obviously with the United States) he must immediately bring about the fall of the Cabinet. My informant says that he himself was asked to deliver the message but, as his own personal relations with Hiranuma are not good, another messenger was chosen. Informant states that not only the majority in the Cabinet but probably 90% of the intelligentsia in Japan wish to avoid trouble with the United States and the implication was clearly conveyed that they fear and are opposed to the policy of Matsuoka.

GREW

740.0011 European War 1939/15111

*Memorandum by the Under Secretary of State (Welles) to
President Roosevelt*

WASHINGTON, May 22, 1941.

The item here attached⁷⁷ is an excerpt from Ambassador Grew's diary. This entry was written on or about March 30, 1941. It deals with strategy in connection with our relations with Japan and it emphasizes the necessity of holding our position in the Far East.

In it, Mr. Grew, having emphasized the point that "the future safety of the United States [et cetera]⁷⁸ are inextricably bound up with the safety of the British Empire", lays it down as "axiomatic that we cannot in our own interest and security afford to see Singapore fall"; and, having reaffirmed an opinion which he has repeatedly expressed in other contexts, that it is "a question not of whether we must act but when", proceeds to state *why*.

He points out that Japan "may not go directly all out in a head-on attack on Singapore; that more likely it would proceed by a nibbling process; but that the southward advance is aimed at Singapore" and "every step brings the Japanese nearer Singapore and constitutes an increasing threat to that essential base". He affirms the thesis that "the risks of not taking positive measures to maintain our future security in the Far East . . .⁷⁹ are likely to be much greater than the risk of taking positive measures as Japan's southward advance proceeds [whether by nibbling or with a direct thrust]".⁷⁸ And he expresses the view that "we shall avoid war with Japan if Japan once becomes convinced that we mean business and that a Japanese attack on Singapore would inevitably result in war with the United States".

793.94119/751

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] May 23, 1941.

The Chinese Ambassador⁸⁰ called at my request in response to a previously indicated desire on his part to discuss with me the exchange of notes between his Government and mine, as recently proposed by the newly appointed Foreign Minister of China, Dr. Quo Tai-chi.⁸¹ After

⁷⁷ Not printed.⁷⁸ Brackets appear in the original.⁷⁹ Omission indicated in the original.⁸⁰ Hu Shih.⁸¹ For notes dated May 26 and 31, see *Foreign Relations, Japan, 1931-1941*, vol. I, pp. 927 and 929.

some discussion, it was agreed that this exchange of notes might take place; also that when the new Foreign Minister returns to China and is sworn into office, it would be appropriate for him then to make public these two documents.

There followed a general exchange of information about the world situation. In due course we each made reference to the periodical appearance of rumors and reports in regard to peace negotiations between Japan and China. I remarked that there have been and are in circulation numerous rumors and reports on this general subject; that some come through important Japanese business men, others through former high naval officers of the United States who have talked at length with Ambassador Nomura, and still other reports through someone here and there, including some newspapermen. I said that I am not thus far treating these reports seriously; that, in any event, before reaching such a step as negotiations, I would, of course, first have full and exhaustive conferences with the Chinese Government, or its representatives. I then added that I had made a remark somewhat similar about these peace reports and rumors to the British Ambassador a few days ago.

I remarked that there seemed to be a group in Japan, consisting of some of the highest officials in the Government, opposed to going into the World War, and that some persons had expressed the view that there might be one chance in ten or twenty-five that something might come out of these reports.

I said that recently the war situation in Europe has been getting worse; that I have at all times treated the Far Eastern and the European war situations as one combined movement, so far as defense is concerned, and that, we, of course, are standing absolutely firm on all of our basic policies and principles in both the West and the East. I added that if the Western situation steadily becomes more dangerous, I could not be certain as to whether a large segment of our Navy still remaining at Hawaii might be sent to the Atlantic, and hence the question of peace rumors and peace reports naturally arose frequently even though they have not reached a stage where a step in negotiations would be undertaken. The Ambassador discounted any possibilities that might grow out of such peace reports, but added that in the light of the increasing dangers in the world situation, he would give the matter thought. I again said to him that he must consider that I was not treating them seriously, certainly without first having full consultation with him and his associates in the Government. He expressed his appreciation.

C[ORDELL] H[ULL]

740.0011 Pacific War 1939/2224

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] May 23, 1941.

The British Ambassador called to see me this afternoon at his request.

The Ambassador read to me a secret communication from his Government which he had been instructed to burn after reading it to me. It was more or less along the following lines—information which is already in the possession of the Department. (The message came personally from Mr. Eden to the Ambassador.)

The British Government is in possession of information which convinces it that the German and Italian Governments have received full reports concerning existing conversations between the Japanese Ambassador in Washington and the Secretary of State. The Axis governments have been informed by the Japanese Government that the United States Government suggested to the Japanese Ambassador in Washington that an agreement be reached in order to secure the maintenance of peace in the Pacific.

The proposed agreement, according to these reports, would set forth a purely defensive attitude on the part of Japan towards her obligation under the Tripartite Pact, and the United States' attitude towards the European war would likewise be stated as one of a purely defensive character.

The United States under the terms of the alleged agreement was to bring pressure upon China to secure peace between China and Japan.

The British Government is informed that Mr. Matsuoka has specifically stated to the Axis representative in Tokyo that these conversations took place upon the initiative of the American Government. It is further informed that Mr. Matsuoka acted without consulting the Axis powers and that the latter are curious about the matter. Mr. Matsuoka is said to have defended the action he had taken by saying that circumstances forced him to do so because of his desire to forestall action by the United States with regard to possible convoys. The British Government believes that Mr. Matsuoka further promised the Axis powers to obtain Axis agreement to any possible accord with the United States before the agreement was concluded. Mr. Matsuoka is further alleged to have said to the Japanese Ambassador in Berlin that any agreement which was reached with the United States would not affect the Tripartite Pact. The Japanese Ambassador was further told by Matsuoka that Foreign Minister Ribbentrop was fully aware of the general lines of the negotiations.

The British Government believed that the United States Government should know of Mr. Matsuoka's "gyrations".

This same message which the Ambassador read to me concluded with the observation by the British Government that in its opinion any visit by Mr. Willkie to Japan at this time would be most injudicious since such a visit would not only strengthen Mr. Matsuoka personally, but would likewise give courage to appeasement elements everywhere.

The Ambassador then referred to his earlier talk with Secretary Hull concerning the conversations in question. I said that I had understood that Secretary Hull had already informed the Ambassador regarding them and that there was nothing I felt I could add other than that they were continuing.

The Ambassador said that his conversation with Secretary Hull had been on rather general terms, and he read to me the cable which he had sent his Government with regard thereto which gave, I think, a completely correct picture of what Secretary Hull had said to him in the talk under reference.

The Ambassador then said that he had received a message from his Government with regard to this question which he would leave with me and he gave it to me to read. A copy is attached herewith.⁸³ After a hasty reading of the document I said to Lord Halifax that it seemed to me that Lord Halifax and the British Government must know that, in view of the continuous and ever-increasing efforts on the part of the United States Government to assist the British Government in its grave predicament, the United States Government would not undertake a policy in the Far East which could under any conditions be prejudicial to British interests nor one which was not parallel to the policy in that region upon which both Governments had agreed, and furthermore, that it seemed to me inconceivable that the British Government could for one moment assume that this Government would modify or compromise in the slightest degree the policies and principles with regard to the Far East for which it had consistently stood and which it had not compromised as certain other governments had; which it had reiterated time and again; and upon which it was firmly and positively set. I said, however, that in view of this document I felt that I did not care to give Lord Halifax any second-hand impressions in as much as the conversations in question had been conducted solely by Secretary Hull himself. I said that I would suggest to Secretary Hull in the morning that he have a personal talk with Lord Halifax at an early opportunity in order that

⁸³ See footnote at end of memorandum.

his own personal position in this matter might be completely clarified.⁸⁴

S[UMNER] W[ELLES]

711.94/5-2341

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] May 23, 1941.

These Japanese are engaging us in conversations on the subject of an agreement between Japan and the United States and an agreement between Japan and China—

not because the Japanese have had a change of mind and/or a change of heart about Japan's policy of imperial expansion—for the Japanese haven't had;

not because the Japanese have been defeated in China—for the Japanese haven't been;

not because the Japanese want to withdraw their armies from China—for the Japanese do not;

not because the Japanese would be content with a national security and an equality of economic opportunity resting on and guaranteed by a bilateral treaty pledge (and nothing stronger)—for the Japanese wouldn't be.

These Japanese are engaging us in conversations

because the Japanese are definitely bent upon imperial expansion;

because the Japanese still hope to gain control of China;

because the Japanese do not want to and they cannot (now) withdraw their armies from China;

because the Japanese believe that their national security depends on the reputation and/or the capacity of their instrumentalities of self-defense and know that possession of a treaty right is one thing while enjoyment of a treaty right is quite another thing;

because the Japanese want more than national security and more than equality of opportunity: they want power, they want prestige, they want privilege, they want a paramount position in the Far East;

because the Japanese, desirous of moving toward their many-times-declared objectives, are at present hampered and held back by fear of possible physical interposition of obstacles by the United States.

⁸⁴ In a memorandum of May 24 (740.0011 Pacific War/220), the Secretary of State recorded that on that date he talked with the British Ambassador, offering "some rather vigorous comment about an *aide-memoire* regarding some phases of the Pacific area, which I considered wholly inaccurate and unsound in its chief meaning and implications." Lord Halifax thereupon "retained" the *aide-memoire*.

These Japanese are engaging us in conversations

in order to gain time;

in order to acquire all possible information on the basis of which to increase the accuracy of their estimates of situation and possibilities;

in order to increase the scope and the effectiveness of their operations of propaganda;

in order to add to the confusion of thought, the diversity of opinions and the variformity of counsel which prevail in this country—both among our people and in our Government;

in order to retard and delay the making by our Government of decisions;

in order to retard and delay the imposition by our Government of new restrictions upon trade with Japan;

in order to diminish the speed and the volume of (our defense production and) our deliveries of aid to Great Britain and to China;

in order to shake Chinese confidence in this country and contribute toward a break in Chinese morale;

in order to delay and if possible to prevent the taking by this country of really effective steps in support of Great Britain and ensurance of our security;

in order to shake British confidence in this country, to undermine British morale and to contribute toward the chances of success for an all-out German attack on the British Isles;

in order to influence the political situation in Japan: to preserve and strengthen the prestige and therefore the authority (which is now in a vulnerable position) of the militant militaristic element (of which these Japanese are members) in Japan;

in order to achieve, if possible, by diplomacy an alteration, favorable to Japan's program, of a situation which is for the moment unfavorable to that program;

in order to enable Japan to straddle—with one foot resting on a German platform and the other foot resting on an American platform;

in order to make it possible for Japan to hold on to some of the loot which she gained in China, to collect additional loot as opportunity develops, and to be in position to collocate herself, as the world conflict progresses and when it ends, with whichever side seems to be or is victorious.

The Japanese have made a treaty with Germany. Do the Germans trust Japan? They have made a treaty with the Soviet Union. Do the Russians trust Japan? *These Japanese* want a treaty with us. Do *these Japanese* represent Japan? Do they represent Messrs. Shiratori and Matsuoka—who made the Japanese treaty with Germany? Do they represent Mr. Matsuoka—who made the Japanese treaty with the Soviet Union? Do they represent General Oshima, Japanese Ambassador to Germany—who wants Japan to go on with

her imperialistic program? Do they represent Mr. Honda and General Hata—who want Japan to proceed with and finish her conquest of China *now*? Do they represent the Japanese people? Do they represent the Emperor? Whom do they represent? What do they want to deliver? What do they expect and intend that Japan (the Japanese) shall and will deliver? To what extent will Japan (the Japanese) perform on the basis of a treaty which *these* Japanese may conclude with the United States, if and when?

Is there not a fundamental inconsistency between the obligations of Japan under the treaty which some Japanese, including the Emperor, made with Germany—which is a ten-year treaty and which *these* Japanese are seeking (?) to nullify (?) but not to scrap—and the proposals which *these* Japanese suggest be made provisions of a treaty between Japan and the United States?

For forty-five years Japan (the Japanese) has been the great disturber of the peace of the Pacific.

Japan (the Japanese) is not today bent on creation and/or maintenance of peace in the Pacific. Japan (the Japanese) is bent on conquest and expansion—just as much as, although not in as grand a way as, is Germany. Japan (the Japanese) has unity of desire and objective—as has Germany. But Japan has not, as has Germany, unity of command. Japan has not superiority of manpower and productive capacity. Japan has not unanimity of opinion in regard to methods. Japan's leaders must, therefore, be cautious (and their methods must be many). But the Japanese are as determined and as persistent as are the Germans.

Japan (the Japanese) has not yet undergone a change of heart and/or of mind—and if *these* Japanese get a treaty with the United States and/or a treaty with China, Japan (the Japanese) will not for a long time to come, if ever, get such a change.

As against all this, Japan (the Japanese) is in a position today such that—if Chinese resistance continues and Germany is defeated—she (they) might in the course of the next three or four or five years undergo a change first of mind and then of heart. That, however, would have to come not of success in making treaties—with Germany, with the Soviet Union, *with the United States*—but by quite another process, a process not of encouragement but of discouragement.

Japan (some Japanese) has fooled the United States in and with diplomatic exchanges no less than five times during the past thirty-three years.

Japan has, in force today, with the United States various treaties to whose provisions Japan pays no attention whatever. What reason have we to expect—and have we any reason to assume—that Japan will pay more or better attention to the provisions of a new treaty with us, if concluded, now?

On November 30, 1908 there were exchanged between Elihu Root, Secretary of State, and Baron Takahira, Japanese Ambassador, notes.⁸⁵ These notes are still in effect. In those notes there are affirmations and agreements as follows:

"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.

"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.[""]

711.94/5-2341

*American Redraft of Japanese Draft Proposal of May 12*⁸⁶

[Here follows text as printed in *Foreign Relations*, Japan, 1931-1941, volume II, page 446, with two exceptions: point 3 on May 23 was as follows: "The relations of both nations toward the China Affair"; and point 7, as printed, was not contained in text of May 23. Section I, printed on page 447, was unchanged, but section II, second sentence, replaced the following paragraph:]

The Government of Japan maintains that its obligations of military assistance under the Tripartite Pact between Japan, Germany and Italy will be applied in accordance with the stipulation of Article III of the said Pact.

[Here follows text as printed on page 447, except that section III on May 23 was as follows: "Relations of both nations toward the China Affair" and the "Note" as printed was not contained in text of May 23. Section IV as printed on page 448 was unchanged, but section V on May 23 was as follows:]

V. *Economic activity of both nations in the Pacific area.*

On the basis of mutual pledges that Japanese activity and American activity in the Pacific area shall be carried on by peaceful means, the Japanese Government and the Government of the United States agree to cooperate each with the other toward obtaining, on the basis of

⁸⁵ *Foreign Relations*, 1908, p. 510.

⁸⁶ Notation on file copy: "Our tentative redraft of May 23 of the Japanese proposal of May 12, 1941. This redraft was discussed by the Secretary of State with the President." Penciled notation on original: "Copy of set handed by Secretary to President May 23. Page of Annex III 2 subsequently revised."

non-discrimination in international commercial relations, access by Japan and by the United States to supplies of natural resources (such as oil, rubber, tin, nickel) which each country needs for the safeguarding and development of its own economy.

[Here follows text of sections VI and VII as printed, but section VIII on May 23 was subsequently deleted:]

VIII. *Japanese immigration to the United States.*

Japanese immigration to the United States shall receive amicable consideration—on the basis of equality with other nationals and freedom from discrimination. The Japanese Government of course understands that the United States has always maintained that immigration is a domestic matter for regulation by legislation.

[Annex 1]

ANNEX AND SUPPLEMENT ON THE PART OF THE JAPANESE GOVERNMENT

III. *China Affair.*

The basic terms as referred to in the above section are as follows:

1. Neighborly friendship.
2. Cooperative defense against communistic activities.
3. Economic cooperation—by which Japan intends to proceed on the basis of non-discrimination in international commercial relations and by which Japan does not intend to exercise economic monopoly in China nor to demand of China a limitation of the interests of Third Powers.
4. Mutual respect of sovereignty and territories.
5. Mutual respect for the inherent characteristics of each nation cooperating as good neighbors and forming a Far Eastern nucleus contributing to world peace.
6. Withdrawal of Japanese troops from Chinese territory in accordance with an agreement to be concluded between Japan and China.
7. No annexation.
8. No indemnities.
9. Independence of Manchoukuo.

[Annex 2]

ANNEX AND SUPPLEMENT ON THE PART OF THE GOVERNMENT OF THE UNITED STATES

III. *China Affair.*

2. Cooperative defense against communistic activities.

It is understood that the working out of the fulfillment of this provision will in no way conflict with the provision providing for the

withdrawal of Japanese troops from Chinese territory; and it is understood further that the Japanese Government does not intend to station troops within Chinese territory as a preventative measure against communistic activities. The actual arrangement therefor might, with benefit to all, be negotiated upon the request of either the Government of Japan or the Government of China prior to the completion of the withdrawal of Japanese troops from China.

It is understood further that the purpose of this provision is to provide for mutual, cooperative resistance to any future development within China of communistic activities which would menace not only the welfare of China but as well the national security of Japan.

9. Manchuria

It is understood that the question of the future of Manchuria will be dealt with by friendly negotiations.

or

It is understood that the question of the independence of Manchuria will be dealt with by friendly negotiations.

[Annex 2, as printed on page 449, was not contained in text of May 23, while Annex 3, as printed on page 451, followed Annex 2, above.]

711.94/5-2341

*American Statement of May 23*⁸⁷

ORAL EXPLANATION FOR SUGGESTED AMENDMENTS TO THE JAPANESE DRAFT

Introductory statement.

A few changes have been made in phraseology with a view to clarifying the meaning.

In the list of points enumerated on page two of the Japanese draft, the word "Southwestern" has been omitted from point numbered five and, in view of the new subject matter under point six (for explanation see *infra*), the subject matter under point six in the Japanese draft has been incorporated in two additional sections, the titles of which are therefore listed.

[Here follows text of section I as printed in *Foreign Relations, Japan, 1931-1941*, volume II, page 452.]

II. *The attitudes of both Governments toward the European war.*

The first paragraph has been omitted in order to avoid any implication of inconsistency with statements made by the President to the

⁸⁷ Notation on file copy: "Tentative draft of May 23 of our 'Oral Explanation for Suggested Amendments to the Japanese Draft' (of May 12). This tentative draft was discussed by the Secretary with the President."

effect that the present is not an opportune time for the American Government to endeavor to bring about peace in Europe.

The fourth paragraph of the Japanese draft has been revised to emphasize the protective and self-defense character of the attitude of the United States toward the European hostilities.

III. *China Affair.*

The statement in the Japanese draft has been rewritten to keep the underlying purport and at the same time to avert raising questions which do not seem fundamental to the basic subject and which are controversial in character and might present serious difficulties from the point of view of the United States.

The statement in the Japanese annex and supplement in regard to this section has also been revised in a few particulars in conformity with the considerations mentioned in the preceding paragraph.

Two statements in the annex and supplement on the part of the Government of the United States contain further elaboration of the matter.

[Here follows text of sections IV, V, and VI, first paragraph, as printed on page 453.]

In order that the statement of fundamental purpose may gain added emphasis through appearing alone, the other subjects mentioned in this section of the Japanese draft have been dealt with in new sections bearing numbers VII and VIII.

[Here follows text of section VII as printed on page 453.]

VIII. *Japanese immigration to the United States.*

There has been added a statement making clear the established position of the United States that the question of immigration is a domestic matter.

[Here follows text of the "Addendum" as printed on pages 453-454, except that word "confidential" was used instead of "secret" and words "together with its annexes" were inserted at end of first sentence of May 23 text.]

[Alternate Annex 2⁸⁸]

III. *China Affair.*

2. Cooperative defense against inimical foreign ideologies.

It is understood that the working out of the fulfillment of this provision will in no way conflict with the provision for the withdrawal of Japanese troops from Chinese territory; and it is understood further that the Japanese Government does not intend to station troops

⁸⁸ Notation on file copy: "Alternate page for May 23 tentative redraft of the Japanese proposal on May 12, 1941."

within Chinese territory as a preventative measure against inimical foreign ideologies. It is also understood that the purpose of this provision is to provide for mutual, cooperative resistance to any future development within China of such ideologies which would menace not only the welfare of China but as well the national security of Japan. The actual arrangement therefor might, with benefit to all, be negotiated upon the request of either the Government of Japan or the Government of China shortly before the completion of the withdrawal of Japanese troops from China.

[Alternate Section ⁸⁰]

III. *Relations of both nations toward the China Affair.*

ACTION IN REGARD TO JAPANESE-CHINESE RELATIONS

The Government of the United States having taken cognizance of the assurances of the Japanese Government that the terms of a peaceful settlement which the Japanese Government will propose to the Chinese Government will be in harmony with the Konoe principles ⁸⁰ of neighborly friendship and mutual respect of sovereignty and territories, the President of the United States will suggest to the Government of China and the Government of Japan that those Governments enter into a negotiation for a termination of hostilities and resumption of peaceful relations *on a basis freely acceptable to both and with due consideration of the rights and the legitimate interests of other nations in the Pacific.*

711.94/5-2441

Memorandum by the Adviser on Political Relations (Hornbeck) ⁸¹

[WASHINGTON,] May 24, 1941.

COMMENTS ON DRAFT OF MAY 23

A. On page 5, in Article II, the central paragraph should, in my opinion, be deleted. The paragraph reads:

“The Government of Japan maintains that its obligations of military assistance under the Tripartite Pact between Japan, Germany and Italy will be applied in accordance with the stipulation of Article III of the said Pact.”

Such a provision should not be admitted, it seems to me, into any agreement to which the United States becomes a party. The Govern-

⁸⁰ Notation on file copy: “Alternate page for May 23 tentative redraft of the Japanese proposal of May 12, 1941.”

⁸¹ See statement of the Japanese Prime Minister on December 22, 1938, *Foreign Relations, Japan, 1931-1941*, vol. I, p. 482.

⁸² Submitted to the Legal Adviser (Hackworth).

ment of Japan entered voluntarily into its treaty of alliance with the Axis powers; it chooses to remain in that alliance; in that treaty, in Article III, there is a provision which on its face creates an obligation for the Japanese Government in certain circumstances to take military action; in the paragraph under reference of the document now under reference, there is made an affirmation on the part of the Government of Japan that the said Government's "obligations of military assistance" will be applied "in accordance with the stipulation of Article III of the" Tripartite Pact. The Government of the United States should not, in my opinion, give an acceptance to or an assent to any such declaration of policy by the Government of Japan.

B. Page 11, Article VIII. This article relates to the question of Japanese immigration into the United States. In my opinion it would be advisable to leave this article out entirely. Its subject matter has been a cause and source of a great deal of trouble over many years. In this country, several Administrations have burned their fingers in connection with it. Inclusion of this article would weaken this document and add to the many respects in which the agreement, if concluded, would be vulnerable. If anything on the subject is to be included, the drafted paragraph should, in my opinion, be very carefully revised.

C. Annex on the part of the Japanese Government. III, item 9. This item reads: "Independence of Manchukuo". The Government of the United States should not, in my opinion, in any way sponsor or give countenance or endorsement to the concept of "Independence of Manchukuo". Least of all should it do this in a formal document—or in any official paper. A sponsoring or countenancing by the American Government of this concept in this context would, in my opinion, undermine and vastly weaken this Government's contention and boast that it stands for and will stand by principles. It would constitute an abandonment in substantial measure of a position which the American Government has taken at intervals during the past thirty-five years and which it has held conspicuously during the last ten years. There is no practical need for us to do this in connection with and as a part of the project under consideration. To do it would weaken our influence with the Chinese. It would not add to our influence with the Japanese. It would commit us to a procedure of "appeasement". From such a sponsorship once assumed we would not be able—no matter what may come of the project and no matter whether the agreement, if concluded, were lived up to—later to retreat. We might easily find that we had given something (something rather substantial: the abandonment of a principle and a position) for nothing.

D. Annex and supplement on the part of the United States. III, item "2. Cooperative defense against Communistic activities". I feel

strongly that we should resist inclusion of this item in this form. This item is designed to give countenance to a specific feature of *Japanese* foreign policy, which happens, also, to be a specific feature of an existing agreement between the Axis powers and Japan. Germany, Italy and Japan are committed to the principle of common action in opposition to Communistic activities. Their commitment is obviously aimed at the Soviet Union. Japan seeks to draw China into the orbit of that opposition. There is no warrant for a countenancing or a sponsoring by the United States of that feature of Japanese and Axis policy. This item could easily be rephrased, be made to read in general terms, along lines such as: "Cooperative defense against alien subversive ideologies and activities."

In addition to the above, there are various changes which regardless of substance should in my opinion be made in phraseologies—in order to make the agreement read with approximate accuracy and approximation to "good English". This is especially true as regards various and sundry of the paragraph headings. I have entered in red pencil on the face of the copy here attached of the draft suggestions for some such changes, keeping them to a minimum.

By way of precaution against any possible misunderstanding, it should be understood that the fact of my making suggestions in relation to the draft under reference and in other connections relating to the project which is under consideration should under no circumstances be construed as implying that this project in any way has or could by any process of drafting or redrafting be made to have my favorable opinion.

711.94/2133½

*Father Drought to the Chief of the Division of Far Eastern Affairs
(Hamilton)*⁹²

EXPLANATION IN ANNEX

III. *China Affair.*

The Government of the United States considers the basic terms as offered for the peaceful settlement of the China Affair as just and equitable; and extends to the Government of Japan congratulations for the successful application of the Good Neighbor principle which both Governments profess as controlling the policies of their actions respecting neighboring nations and governments.

The Government of the United States accepts, on behalf of President Roosevelt, the request as contained in point III of the Understanding, "Cooperative defense against communism".

⁹² Notation on file copy by Mr. Hamilton: "Received from Father Drought May 24, 1941. (Sent informally to me. MMH)."

The Government of the United States entertains no doubt whatever that the Government of Japan will negotiate this term in such a manner as to realize complete harmony with the other basic terms of national sovereignty and withdrawal of troops. Yet, since such defense may involve military action and since such action against communism in China has been interpreted frequently by American public opinion as a war measure; and since any such misconception of the term should be prevented as a source of future misunderstanding, the Government of the United States signifies, that, in interpreting this term it understands etc. etc. confer State Department explanation.

It is understood that the basic terms for negotiating peace in China shall be announced at the discretion of the Government of Japan.

In III of the Understanding, the references to the legal instruments have been omitted. It is felt that, as stated, the issue of recognition or non-recognition of the Wang Ching Wei and Manchoukuo Governments should not be raised at this time. If these references were retained in the Understanding, the United States Government would feel bound to state its legal position and the Government of Japan would feel bound equally to state its own position. Omission of any reference whatever will avoid confusion.

SOUTHWESTERN PACIFIC

United States statement on diplomatic assistance.

Comment.

(1) A word of praise for the China Terms will encourage the Japanese to merit that praise.

(2) There would be no need for our Government to indicate desired changes in the Japanese explanations re: China Affair if the Japanese Embassy were to submit a corrected version along the lines indicated. Shall I ask them to do this? In this way those points of difference would not need to be referred back to Tokio.

(3) Instead of submitting a series of memos. would it not be more effective to submit a complete draft of understanding and annexed explanations incorporating whatever modifications the United States Government wishes to introduce?

(4) We might indicate in our explanation that the statement on Pacific stabilization is in complete conformity with the expressed views of the Premier and Foreign Minister of Japan.

(5) From the Japanese viewpoint it would be most advantageous to make some general announcement before May 27th. If the indication of an understanding comes after President Roosevelt's speech the general public may feel that the Japanese have been motivated thereto by fear.

(6) Admiral Nomura feels very keenly that the addition re: "inconsistency" should be entirely omitted because his Emperor could not be presumed to sanction anything that would be inconsistent with existing commitments. Moreover, the statement may boomerang as indicated [*indicating?*] to the Japanese that there [*their*] obligation under the Axis is not weakened and practically nullified by this understanding.

(7) In the section on the attitude of both Governments toward the European War, the Japanese suggest that instead of omitting the first paragraph entirely that it be changed to read somewhat as follows: both Governments desire the restoration of world peace and are opposed to the unprovoked extension of the European War.

(8) For each change in the draft made by the United States Government, it would be helpful to state, when possible, an agreeable, yet true, reason for the change. Such a procedure would produce a "spiritual" benefit.

(9) When the Understanding has been initialed, it would be deeply appreciated by the Japanese if Nomura, Iwakuro and Wikawa could be received by President Roosevelt.

(10) Would the United States Government object if, after the Understanding is signed, the Japanese were to engage press agents in this country?

N. B. (11) Though completely mistaken, the opposition group in Japan are insisting that the present negotiations for an understanding with the United States are part of a tactical manoeuvre designed by the Americans to trap the Japanese into a temporary appeasement period during which both the British and ourselves would increase our military preparations against Japan. As there is a meeting on Monday (Sunday⁹³ here) of the Super-cabinet, it would be most helpful if the Japanese Ambassador could send today some word to his Government affirming the substantial agreement of Mr. Hull with the terms of the Understanding and indicating that the changes contemplated are not substantial.

711.94/2133½

Memorandum by Mr. Joseph W. Ballantine to the Secretary of State

[WASHINGTON,] May 24, 1941.

MR. SECRETARY: In the "Oral Explanation" (Annex and Supplement) communicated by the Japanese Ambassador on May 12,⁹⁴ the

⁹³ May 25.

⁹⁴ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 423.

principle of Prince Konoe in regard to economic cooperation is defined as follows:

“Economic cooperation—by which Japan does not intend to exercise economic monopoly in China nor to demand of China a limitation in the interests of third powers.”

It is suggested that the Secretary might wish to discuss this point further with the Japanese Ambassador in an exploratory way in an endeavor to draw him out on what the Japanese have in mind with regard to the application of the principle above quoted to Japan's commercial relations with China—and incidentally with French Indochina. This might be helpful in clarifying possible differences between our respective views as to what is meant by non-discrimination in international commercial relations.

711.94/2122a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, May 24, 1941—11 p. m.

297. For the Ambassador and Counselor only. Reference a strictly confidential letter of May 2 from an officer of the Department with five enclosures.

1. On an assumption that it should develop that a satisfactory formula containing mutually acceptable pledges and assurances can be worked out, what is your judgment, given the present situation in Japan and in the world, as to (a) the likelihood that any government in Japan could carry out commitments of the character under reference and (b) the likelihood that the Japanese Government would in good faith do so? Also, your opinion as to advisability of this Government making such commitment?

2. Your reply should be as “blind” as may be practicable without risk of misunderstanding.

HULL

711.94/5-2641

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] May 26, 1941.

On May 14 and on May 19 Mr. Matsuoka expressed to Mr. Grew⁹⁵ the opinion that if the United States convoyed ships to England and if

⁹⁵ See telegrams No. 673, May 14, 5 p. m., from the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 145, and No. 707, May 19, 10 p. m., from the Ambassador in Japan, *ante*, p. 204.

some of our ships were sunk by the Germans and if war between Germany and the United States ensued Article III of the Tripartite Pact would come into force and it would mean war between the United States and Japan.

Comment: Today the Japanese are cooperating with the Germans in strenuous diplomatic effort to delay or prevent the giving by the United States of effective aid to Great Britain. If and when the United States is drawn into war with Germany, the Japanese will cooperate with the Germans toward preventing defeat of Germany and therefore toward preventing victory for (Great Britain and) the United States. This may or may not go to the extent of military operations by Japan against Great Britain and/or the United States; but, whether or not it goes that far, it will in my opinion—regardless of any pledges which Japan may have given, to her allies, to the United States, to China—be done.

S[TANLEY] K. H[ORNBECK]

762.9411/261½

The Chinese Ambassador (Hu Shih) to the Secretary of State

WASHINGTON, May 26, 1941.

MY DEAR MR. SECRETARY: I wish to take this opportunity to thank you once more for the very profitable and stimulating hour which you so kindly gave me the other morning. I have since been thinking over the subject-matter of our conversation of last Friday.⁹⁶ Because of the importance of the questions involved, I have here jotted down a few thoughts and am submitting them to you for your wise criticism.

Our conversation, as you will recall, turned to a speculation as to whether some attempt could be made to wean Japan from Axis partnership and render her more innocuous in the Pacific during the present world crisis.

I am sincerely afraid that any serious attempt in such a direction would have to involve a surrender of the principles for which the Anglo-Saxon peoples have been fighting, and I am inclined to think that even such a complete surrender (which will irretrievably damage the spirit and morale of the fighting democracies) will not make Japan really desert the Axis powers. The Tripartite Alliance of last September has received the sanction of the Japanese Emperor in an Imperial Rescript, and cannot be easily discarded. It is not merely "the Matsuoka policy", but represents a more fundamental affinity of national outlook.

⁹⁶ May 23.

There was a time when Japan seemed to feel genuinely resentful towards Germany and Italy. That was after the signing of the Soviet-German Non-Aggression Pact of August 1939.⁹⁷ In her resentment, some of Japan's leaders actually declared the Anti-Comintern Pact (1936) "dead".

But the military successes of Germany in 1940 changed all this. Japan gladly became a partner and an ally of Germany and Italy. And she will not abandon this Imperially sanctioned Alliance so long as Hitler is victorious and successful and so long as the Japanese militaristic and pro-Axis clique is not discredited.

So far two things—and two things only,—have prevented Japan from going to the aid of her European partners: First, the war in China has bogged down her millions of troops and service men and has tied up hundreds of her ships for the transport of troops and for keeping these troops supplied. And, secondly, the presence of the American fleet in the Pacific has made Japan hesitate either to carry out her "southward advance", or to raid the commerce and cut the supply lines for the British Commonwealths as well as for China.

I am reasonably sure that, as long as China fights on and a sufficiently strong portion of the American fleet is maintained in the Pacific, there will not be active and effective Japanese assistance to the Axis powers in the Pacific.

But, if Japan is freed from her war in China or from the danger of being effectively flanked by the American fleet, then no amount of appeasement, nor any Japanese pledge can stop Japan from playing the role of an active partner of the Axis powers and completely cutting off Australia and New Zealand from participation in the war in Africa and Asia, as well as effectively intercepting all material supplies from the United States and Canada.

I am therefore compelled to conclude that, if the problem is how to render Japan incapable or ineffectual as an Axis partner, the best solution seems to lie in assisting China to continue to a successful ending her war of resistance to Japanese aggression, and in maintaining a firm diplomatic and naval position in the Pacific.

You were kind enough, my dear Mr. Secretary, to inform me that in recent months there had been numerous informal suggestions, largely from Japanese sources, to the effect that an early termination of the Sino-Japanese war might be brought about through some form of mediation by the United States Government.

I have for years speculated about the possibilities and difficulties of a mediated peace for the ending of the Sino-Japanese war. Since our conversation last Friday, I have again thought over this question.

⁹⁷ Signed at Moscow, August 23, 1939; Department of State, *Nazi-Soviet Relations, 1939-1941*, p. 76.

It is my humble opinion that Sino-Japanese peace through American mediation seems quite impossible at this time.

There are at least these unsurmountable difficulties:

(1) The military leaders of Japan have repeatedly declared that "the dispute between China and Japan is purely a two-party conflict, not to be settled by the intervention or mediation of a third party". Such a statement was made on September 29, 1939. It was repeated in Tokyo and Shanghai only a few days ago. And in an official statement issued on May 24, 1941, by the Imperial Headquarters through Colonel Hayao Mabuchi, Chief of its Information Section, all attempts to seek peace between Japan and the National Government of China were condemned as mistaken views of the "peace brokers". The same statement goes on to say that "the key to the solution of the 'incident' is for the imperial forces to knock out the enemy forces and destroy Chungking's power of resistance."

(2) While Japan may seriously desire an early ending of the war in China, she only wants to end it *on her own terms*. All talk about a general withdrawal of Japanese troops from China seems empty play of words. She will not voluntarily withdraw from Manchuria, nor from the Inner Mongolian provinces, nor from North China, nor from the coastal centres of industry and commerce, nor from such strategic areas as the Hainan Island which is being used as an important base for Japan's Southward expansion. In short, the militarist caste of Japan has not been sufficiently discredited to be willing to seek a just peace. Even the "peace brokers" do not dare to offer anything approaching a just peace.

(3) Such being Japan's real desire, it will be utterly impossible for the American Government to sponsor, either directly or indirectly, any settlement conforming to that desire. No leader of a democratic government can afford to sponsor such a peace.

(4) For years the Government of the United States has been trying to use its diplomacy and its great economic and naval power to bring Japan to a more reasonable point of view. But recent German military successes and British reverses have tended to make the Japanese military more unreasonable than ever before. Any wavering on the part of the Anglo-Saxon democracies in dealing with Japan now will be naturally interpreted by her military as a sign of weakness and will only strengthen their faith in the ultimate triumph of brute force.

(5) The history of the Peace of Munich clearly shows that even a peace solemnly signed by the heads of four great European Governments became a worthless scrap of paper in less than six months. Can a mediated peace in the Far East have better and more effective guarantees or sanctions?

I have enumerated these difficulties, my dear Mr. Secretary, in the sincere hope that a frank recognition of these implications may be helpful in any comprehensive consideration of the question of terminating the Sino-Japanese War through a mediated peace.

With renewed assurances [etc.]

HU SHIH

711.94/2123 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, May 26, 1941—8 p. m.

301. For the Ambassador and Counselor only. In further reference to Department's strictly confidential telegrams nos. 297 of May 24, 11 p. m., and 298 of May 25, 5 p. m.,⁹⁸ please consult a strictly confidential letter of March 15 from an officer of the Department and the Department's strictly confidential telegram no. 247 of April 24, 7 p. m.

The Department desires urgently an expression of your opinion whether it is likely that if the Japanese Government should in an agreement with the Government of the United States pledge itself to a policy of peace in the Pacific area, to concluding with China a peaceful settlement on a basis which is reasonably fair to all concerned and to a program of cooperation with the United States on a basis of non-discrimination in international economic relations, the Japanese Government could or would in good faith carry out such pledges. This Government would of course expect before concluding any agreement with Japan to sound out in confidence the Chinese Government in regard to the matter.

Also, what in your estimate would be the prospect that conclusion of such an agreement would contribute toward enabling Japan effectively to change from its present courses, including its relations with European countries, to courses in general harmony with the principles in which this Government believes.

If the letter of May 2 has not reached you please reply on the basis of this telegram and the other references contained herein.⁹⁹

HULL

711.94/2125 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 26, 1941—9 p. m.

[Received May 27—1:40 p. m.]

741-742. For the Secretary and Under Secretary. Department's 297, May 24, 11 p. m. Pending receipt of the relevant documents I submit the following survey of the situation in Japan in the hope that it may serve provisionally to indicate the trend of our thoughts bearing in general terms on the questions raised in the Department's telegram under reference.

⁹⁸ Latter not printed.

⁹⁹ In telegram No. 746, May 28, 10 a. m. (711.94/2128), Ambassador Grew said he did not think he could "profitably expand the views set forth" in telegram No. 743, May 27, 2 p. m. (*post*, p. 231), which was based on the letter of May 2 (*ante*, p. 173.).

1. From the beginning of the China conflict until the end of 1938 period, during which events in Europe were taking shape in the direction of war, the policy of Japan, reflecting a public opinion almost unanimous except for the relatively small pro-democracy and pro-Axis elements, was to avoid entering or closely associating with either the democratic or the totalitarian camps. In the first half of 1939, the Japanese Government gave prolonged consideration to a proposed alliance with Germany, the object of which was to be the Soviet Union, then considered to be one of the democratic powers. During that period we actively propagated among Japanese leaders the thought that, if war should break out between the democratic and totalitarian powers, the resources and probable eventual participation of the United States on the side of the democracies would inevitably lead to the defeat of Germany and her allies. I can state on unquestionable authority that this more than any other was the argument which, as Admiral Yonai¹ put it to me, enabled the Government to "suppress those elements which advocate an alliance with Germany."

The policy of non-involvement continued without interruption until the repercussions here of the German victories in Europe in the Spring and Summer of last year, added to the apprehension over relations with the United States, brought about the submergence of those political personages who had on the one hand resisted an alliance with Germany and had on the other hand sought an adjustment of relations with the United States on the wholly impossible basis of Japan's retaining all her major objectives on the Continent. That there had been taking place a swing back of the pendulum from the point where it was believed that an inevitable and imminent German victory would give Japan "golden opportunity" to achieve the wildest expansionist ambitions is made evident in several ways, notably by the reaction to recent German successes which is compounded as much of growing concern over the possibility of a German victory as of reviving confidence in such an outcome. In short, we believe it is being increasingly realized here that so long as Japan's expansionist objectives in the Far East remain unmodified, there would be little to choose between an Allied victory and a German victory, except for the fact that the latter would be a more remote danger in point of time. Further evidence is offered in the gradual reconstruction of the Cabinet by the removal of pro-Axis members, except for Mr. Matsuoka, and their replacement with others of conservative leanings; and by the emasculation of the Imperial Rule Assistance Association.

2. In a country so politically backward as Japan there is no set of principles which runs homogeneously throughout the fabric of

¹ Adm. Mitsumasa Yonai, Japanese Navy Minister, 1937-39; Prime Minister, 1940.

the nation, while medieval ideas which disappeared in the Occident centuries ago vie with political concepts—from Fascism to advanced Liberalism—now current in the West. The recurrent rise and decline of each of these various schools of thought have been determined largely by the impact of conditions and events outside Japan. Japan's politics are moulded therefore by facts and events and not by immutable principles. The German military successes of last year brought about the elimination from power for the time being of those with some pretensions to moral principles and the entire orientation of national policy, and we believe that the impact of (a) American rearmament and the growing determination of the American people to spare no sacrifice necessary to defend their form of life and (b) the dangers inherent in Japan's China policy whichever side might be the winner in the European war have set in motion another process of changing policy. How such change will take shape we cannot predict, but we would emphasize that whatever it may be it cannot be more resistant than its predecessors to the arguments of facts and events.

3. Public attention at the moment is concentrated largely on the debate between two schools of thought represented by Mr. Matsuoka and the Japanese Ambassador in China, the latter school supporting the Army in China with regard to the question of how best the China conflict can be liquidated. The former school wish to come to terms with China probably for reasons suggested in our 689, May 16, 6 p. m.,² while the latter, alarmed over the waning enthusiasm at home over the conflict and the growing concern over possible involvement in the European war, demand pursuance of expansionist objectives in China which have already been laid down, the attainment of which [they?] might insist is just around the corner. While advocating different methods, both sides are offering evidence and taking cognizance of the feeling in a substantial portion of the population that settlement of the China conflict is a pressing matter. Of course one immediately treads on speculative ground in examining the possibility of Japan's fulfilling what must obviously be China's condition *sine qua non* for peace, namely, withdrawal of Japan's forces from China. With the army stridently warning the public against nourishing hopes of an early victory, the fact that the question of ending the conflict looms so large in the public mind should not be neglected. Whether fears of war with the United States, economic disturbances and other factors are sufficiently strong to overcome opposition to the evacuation of China we cannot say, but it would seem to us that if negotiations between the two countries could bring about a settlement on paper,

² Vol. v, p. 504.

the burden would be on Japan of giving validity to that settlement by prior fulfillment of this particular condition.

4. As reported in recent telegrams, there are grounds for believing that certain important personages here are informed of developments referred to by the Department to the exclusion of other officials who might normally be expected to know of these developments.

5. To sum up, Japan's foreign policy and diplomacy are essentially susceptible to world developments and events. I do not feel at the present moment that we are in a position to report important gains in influence either by the extremists or by the moderates in Japan although we believe the momentary trend to be in favor of the latter. Future trends will inevitably be influenced by the trend of the European war as well as by trends in American policy and action. The outcome in Japan is therefore almost wholly unpredictable but I would express the opinion that under present conditions Japan is highly malleable.

6. Upon receipt of the documents mentioned in paragraph numbered 1, I shall endeavor to reply intelligently to the Department's specific questions.

GREW

711.94/2126 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 27, 1941—2 p. m.
[Received May 27—9:54 a. m.]

743. For the Secretary and the Under Secretary. Department's 297, May 24, 11 p. m.

1. There can be no doubt that any Japanese Government which assumed a bilateral commitment of the nature under reference, with the approval of the Emperor, the Cabinet and probably the Privy Council, would carry out the provisions of the settlement in good faith to the best of its ability.

2. The only elements in Japan which could effectively oppose the carrying out of such commitments would be the army or navy or elements in the army or navy, but it may be taken for granted that the Government would enter no such commitments without the approval of the War and Navy Ministers³ who in turn would not accord their approval without the support of the higher councils of the armed forces. We have good reason to believe that both the War and Navy Ministers in general terms favor a settlement along the general lines under discussion.

³ Gen. Hideki Tojo and Adm. Koshiro Oikawa, respectively.

3. If the conclusion of such a settlement could be publicly confirmed by the Emperor in an Imperial Rescript, the provisions of the settlement would thereupon become the fixed policy of the country. It is our belief that the Japanese public would welcome such a settlement with a profound sense of relief.

4. Without analyzing seriatim the proposed terms of the settlement, it appears that the commitments on the American side would be largely abstentious or negative or would contemplate action of a character which would be regarded as normal in relation with a friendly country, while some of the commitments on the Japanese side would be of a nature requiring positive action. If the Japanese, after accepting the commitments, should fail in good faith to implement the agreement, the United States would thereupon be released from its own share of the commitments, and it is not perceived that during the process of implementation the position of the United States in the Far East could become considerably impaired.

It therefore appears that the United States has very much to gain from such a settlement and that even if satisfactory implementation on the part of Japan should fail, which we doubt, no serious loss to American interests would necessarily be incurred. The maintenance of the *status quo ante*, without important sacrifice in the meantime, would still be possible.

5. The points set forth in my present telegram should be considered in the light of our 741, May 26, 9 p. m. From the point of view of constructive statesmanship I believe that our Government should proceed with the negotiations with a view to entering the proposed commitments. The alternative might well be progressive deterioration of American-Japanese relations leading eventually to war. The possibility if not the probability of success would appear to justify the risk of failure. If a settlement on paper can be achieved, I have substantial hope that it will not fail in implementation.

GREW

711.94/5-2741

*Memorandum by Mr. Joseph W. Ballantine*⁴

[WASHINGTON,] May 27, 1941.

MR. SECRETARY: It is suggested that the Secretary may wish in his next conversation with the Japanese Ambassador⁵ to bring up the subject of the Japanese economic negotiations with the Netherlands East Indies, which, as reported in Tokyo's telegram no. 728 of May 24,

⁴ Prepared for the Secretary of State; notation by the Chief of the Division of Far Eastern Affairs: "Taken up orally with the Secretary. Not used. M. M. H[amilton]."

⁵ May 23; see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 440.

2 p. m.,⁶ attached hereto, are on the point of breaking down because the Indies authorities believe that the quantities of rubber and tin asked for by Japan in conjunction with the supplies being received by Japan from French Indochina are in excess of Japan's own requirements and that the amounts in excess of these requirements are destined for Germany. It is suggested that in regard to this matter the Secretary, after referring to the fact that difficulties have apparently arisen in the Japanese economic negotiations with the Netherlands East Indies authorities, may wish to comment along lines as follows:

Reluctance on the part of the Netherlands East Indies authorities to supply to Japan strategic materials which might be destined to Germany is only natural. If the Japanese Government should put pressure upon the Netherlands East Indies Government to supply Japan with rubber and tin in quantities above Japan's own requirements for reexport to Germany, the effect upon American public opinion would be very unfortunate, and it would be difficult to obtain public support in this country for any proposal calling for the lending by the Government of the United States of support to efforts by Japan for the procurement of materials which Japan needs for her own economy.

If the Japanese Ambassador should reply to the effect that Japan is as much under obligation under the Tripartite Pact to supply Germany as the United States is to aid Great Britain, the Secretary might comment that, according to our understanding, the underlying objective of the matters we are discussing is to assist Japan to alter her courses to courses along which the United States and Japan might cooperate. Any effort upon Japan's part to put pressure upon the Netherlands East Indies to supply rubber and oil for reexport to Germany would appear to us clearly inconsistent with the objectives which our discussions have had in view.

711.94/2129

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] May 27, 1941.

The British Ambassador called at his request. He referred to the casual and unofficial conversations which I have recently had with the Japanese Ambassador in regard to the possibility of instituting negotiations for a peaceful settlement in the Pacific area. He was very much interested in the matter and desired to know how soon it might be before I would know whether there were any definite grounds for taking up such negotiations. I replied that it might be very soon; that, of course, as I said to the Chinese Ambassador here some days

⁶ Not printed; see vol. v, p. 157, footnote 11.

ago, and as I have said to my associates in the Department from the beginning, I would not think of entering into any discussions looking to an agreement without first having full and free conference with the Chinese representatives. I then added that the three basic points I am constantly keeping in mind relate to a satisfactory Chinese settlement, assurances that the Japanese will not go South for purposes of military conquest, and assurances that they will not fight for Germany in case the United States should be drawn into the war. I concluded by saying that everything naturally revolved around these phases. The Ambassador seemed to be pleased with this view.

C[ORDELL] H[ULL]

740.0011 Pacific War/221

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] May 27, 1941.

The British Ambassador called at his request. He read a despatch from Anthony Eden, Foreign Minister, in which he offered profuse apologies for the tone and nature of a recent *aide-mémoire* regarding some phases of the Pacific area which the British Ambassador, on his last visit to my office,⁷ proposed that I should receive and file, but which he retained after some rather vigorous comment on my part. The truth is that the Foreign Minister had all of his facts wrong.

C[ORDELL] H[ULL]

740.0011 European War 1939/12849

The Ambassador in Japan (Grew) to the Secretary of State

No. 5641

TOKYO, May 27, 1941.

[Received July 5.]

SIR: As a chapter in not quite orthodox diplomacy I have the honor to present to the Department herewith copies of certain memoranda of conversations and letters, as well as copies or paraphrases of certain telegrams,⁸ many or all of which are already separately on the files of the Department, setting forth the expressed attitude of the Minister for Foreign Affairs, Mr. Matsuoka, toward the Tripartite Pact of September 27, 1940, and its bearing on the question of war between Japan and the United States in case war should occur between the United States and Germany. It is my thought that these surprising documents may be of greater value to the Department, and to history, when thus presented in assembled form.

⁷ May 24; see footnote 84, p. 212.

⁸ Three of the enclosures are not printed; for others, see *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 145-148, *ante*, pp. 188, 189-190, 194-196, 198-200, 201-206, and *post*, p. 971.

Witness the circumstances which gave rise to my oral and written exchanges with Mr. Matsuoka. After an absence of some six weeks in Europe the Japanese Foreign Minister returns to Tokyo; I immediately write requesting an appointment at the Minister's convenience; he keeps me (and other foreign Ambassadors) waiting for some three weeks and finally receives me officially at the Foreign Office. In the course of the conversation the Minister expresses the opinion that the "manly, decent and reasonable" thing for the United States to do would be to declare war openly on Germany since our attitude toward Germany is provocative, adding that Hitler has been very patient and generous in not declaring war on the United States but that his patience and restraint cannot be expected to endure indefinitely. On my taking exception to the Minister's remarks he withdraws the implication that the United States is guilty of unmanly, indecent and unreasonable conduct, and he later writes me that owing to his inadequate knowledge of English he inadvertently used the word "decent" whereas he meant "discreet".

The Minister thereupon makes perfectly clear his interpretation of the Tripartite Pact to the effect that if the United States should convoy its ships to England and if Germany should sink such ships, and if war with Germany should result, he, Mr. Matsuoka, would regard the United States as an aggressor in the sense of Article 3 of the pact, and it is his belief that war would thereupon ensue between Japan and the United States. He adds that this is only his own opinion and that there would have to be deliberation not only with his colleagues in the Japanese Government but with Japan's allies, in which deliberation Japan would have but one out of three votes. (In this connection it is interesting to note that when Germany attacked Greece this spring, Mr. Matsuoka, according to the Greek Minister here, informed Mr. Politis that Japan herself would determine her obligations under the Tripartite Pact, that her decision *would be guided by common sense*, and that Mr. Matsuoka thought that it was quite clear what the decision would be. Nothing was then said of Japan having but one out of three votes.) I express my surprise at the Minister's interpretation of Japan's obligations under Article 3 of the pact which provides for mutual assistance between the allies only if one of them is attacked by another Power, and my astonishment that Japan could thus surrender her future freedom of action and could entrust her future destiny to deliberations in which she would enjoy but one out of three votes. I set forth the attitude of the United States toward the freedom of the seas and the determination of the United States to sail those seas at will and to take all necessary measures of self-defense.

In reply to Mr. Matsuoka's first letter of May 14 I write on May 15 to thank him while at the same time expressing regret at the "grave and far-reaching implications" of his remarks in our conversation on the previous day. On the 17th Mr. Matsuoka writes me a long letter, marked "Entirely Private", emphasizing the fact that while he knows how to be "correct" as Foreign Minister such an attitude on his part would not be conducive to better understanding between us, and that he often forgets that he is a Foreign Minister and is seldom conscious of that position. He expresses his honest hate of the so-called correct attitudes taken by many diplomats which "hardly get us anywhere"; he acknowledges that he often indulges in thoughts in terms of one thousand or two or even three thousand years, and if this strikes me as a sign of insanity, he cannot help it as he is made that way. The expressions which he had used in our talk on May 14, he says, would not have been uttered as Foreign Minister and those words have no place in our official relations; he had confided them to me as a world citizen and he had always regarded me as something more than an Ambassador, namely a human being to whom he might reveal his deeper thoughts and ideas. He, however, still writes of Germany's patience in the face of American provocation and of the terrible Armageddon with which civilization will be faced if the United States is drawn into the European war by attacking or being attacked, and he regards that latter point as "rather immaterial". He furthermore does not know what I mean by the phrase in my letter "grave and far-reaching implications" and believes that there must have been some misunderstanding because he cannot recall any remarks of his own upon which I could have placed such an interpretation. He suggests a further meeting in a day or two.

The Minister receives me at his private residence on May 19, we have tea and then stroll in his garden, both smoking pipes in entire informality, and chatting freely. He at once expresses his astonishment that Mr. Hull had sent for Admiral Nomura, the Japanese Ambassador in Washington, and had told him that Mr. Matsuoka had sought to "intimidate" me in our conversation on the 14th. The Minister denies that he had any intention of intimidating me or that he had intimidated me, and he furthermore expresses surprise that I had reported our conversation to my Government because he was speaking to me as Mr. Grew and not as the American Ambassador. I tell the Minister that in my report I had used the term "bellicose" as applying to the tone and substance of what he had said to me and I thereupon repeat the pertinent remarks which he had made to me which I had been led to characterize as having "grave and far-reaching implications". The Minister does not question the accuracy of my report but

says smilingly that while his words may have been bellicose, his heart and thoughts are peaceful.

I make clear to the Minister the fact that one of my primary duties in Japan is to ascertain correctly and to report to my Government the policy of the Japanese Government, just as Admiral Nomura is doing the same thing in Washington with respect to the policy of the American Government, and that he, the Minister for Foreign Affairs, is the only official channel through which I can learn that policy. When therefore he discusses policy with me even as Mr. Grew and not as the American Ambassador, I am still in duty bound to report his views to my Government because he speaks for the Japanese Government. The Minister disagrees on this subject of reporting but he still confirms his views as expressed to me on May 14. In the course of the two-hour conversation I speak of America's inalienable right of self-defense and of the applications of international law to the freedom of the seas and I express the view that if Japan really desires peace with the United States our own measures of self-defense could not possibly be interpreted as acts of aggression. I also read to the Minister the entire text of Mr. Hull's address of April 24 before the American Society of International Law. Mr. Matsuoka listens carefully, nodding his head in comprehension of each point; he calls it a very fine and clear presentation of the American point of view but observes that there are other viewpoints and that it seems to him that we Americans are unable to put ourselves in the place of the other parties concerned. I reply that we must be guided by facts and actions which have rendered the position and attitudes of the other parties perfectly clear.

The foregoing is merely a discursive account of some of the principal points which emerged in the two conversations and exchange of letters with Mr. Matsuoka. While reluctant to take advantage of remarks and private letters addressed to me as an American friend rather than as the American Ambassador, I am firmly of the opinion that all of these exchanges, however unorthodox, which arose from my first interview with the Foreign Minister at the Foreign Office after his long absence from Japan, can only be regarded in an official light and must be placed on the official record and regarded by our Government in that light. The question as to whether the expressed views of Mr. Matsuoka represent the views of the Japanese Government as a whole has been and will continue to be dealt with in other communications to the Department.

In this general connection it may not be out of place to add that my personal relations with Mr. Matsuoka are of the best, that I rate him among my personal friends in Japan, that I enjoy his directness, or at least his ostensible directness, in our contacts, and that our discussions, even when unduly strong expressions are used and sometimes

expressions of a nature which require me to take emphatic official exception, are conducted with a minimum of heat with sometimes a freedom of give and take surprising in exchanges between a Foreign Minister and an Ambassador. Expressions which might be interpreted as openly insulting to one's own country, such for instance as his use of the phrase "The manly, decent and reasonable thing to do", are uttered with an unstudied naiveté and a willingness to withdraw such utterances if challenged that leave no rancor afterwards. On the point of Mr. Matsuoka's intellectual and political honesty I am reluctant to express a doubt. In the political manoeuvring that constantly goes on in Tokyo he is sometimes quoted as saying one thing in one quarter while making a totally divergent statement in another quarter. He talks so flowingly and freely, by the hour if time affords, that it is inconceivable that he should never make conflicting statements. I however incline to the opinion that in his talks with me he follows the carefully studied policy of painting the darkest picture of what will happen if the United States gets into war against Germany, probably in the mistaken belief that such tactics may serve to exert a restraining influence on American policy.

Soon after Mr. Matsuoka took office he indicated that his platform would be that the United States could and should be intimidated into adopting an attitude of complete isolation with regard to both the Far East and Europe. That platform was implemented by the Three Power Alliance, which action not only failed to have the desired effect but was one of the major factors in stimulating the trend of American opinion away from isolationism. It would seem that, despite the egregious failure of that attempt, Mr. Matsuoka would prefer to persist in a course fraught with the gravest dangers than to chart a new course which would constitute admission on his part that he had completely misread the character and temper of the American people, and which would inevitably make his position as Foreign Minister untenable.

Respectfully yours,

JOSEPH C. GREW

762.9411/261½

The Secretary of State to the Chinese Ambassador (Hu Shih) °

WASHINGTON, May 28, 1941.

MY DEAR MR. AMBASSADOR: I am very glad to have the benefit of your thoughtful views in regard to various aspects of the Far Eastern situation as set forth in your personal and confidential letter of May 26. I do not know whether you may have misunderstood anything I

° Transmitted to the Chinese Ambassador by special messenger on June 2.

said in our recent conversation, but, in order to avoid any such possibility, I take the liberty of saying that I undertook merely to mention various facts and possibilities relating to the general military situation in both Europe and the Far East, and to refer to various reports which came to us of conversations between Japanese individuals and responsible Americans and to comments made by some Japanese officials in the course of conversations with various officials of this Government. I referred to these reports and comments as presenting a subject for speculation of possibilities. I intended to indicate that my thought had not proceeded to the question of mediation and that the whole matter remained in a very tentative, speculative form. I am sure you understood from what I said that, before any such question ever approached anything resembling a definitive stage, I would wish to talk the matter over thoroughly with your Government.

With kind regards [etc.]

CORDELL HULL

793.94/166414

Memorandum by the Legal Adviser (Hackworth) ¹⁰

ORAL STATEMENT: COMMENT ON SECTION III OF THE JAPANESE DRAFT
AND THE ANNEX AND SUPPLEMENT THERETO [OF MAY 12]

The United States realizes that the establishment of an amicable and satisfactory adjustment of the present difficulties between China and Japan is a most important element in the establishment of peace in the Pacific area. The United States is desirous of being of all help that it appropriately can. It is in this spirit that the Government of the United States offers the following observations.

The United States sees in the proposal of the Japanese Government with respect to cooperative defense against injurious communistic activities a possible obstacle to such an adjustment, particularly if the proposed arrangement should envision the stationing of Japanese troops in Chinese territory.

It is stated in the Japanese proposal that the proposed adjustment of general relations between China and Japan is to be based upon neighborly friendship, mutual respect of sovereignty and territories, et cetera.

The Government of the United States therefore suggests for consideration by the Government of Japan the possibility of a substitute formula which would do full justice to the dignity and sensibilities of the Chinese Government and people and at the same time safeguard

¹⁰ Described as "Unofficial, exploratory and without commitment". Notation on file copy reads: "The attached is a copy of the final draft of May 29 of Mr. Hackworth's memorandum which was shown to Father Drought."

the rights and interests of Japan and Japanese nationals as well as the rights and interests of other countries and their nationals in China. This formula might be somewhat as follows:

1. The Chinese Government would undertake to establish and maintain a national standing army of sufficient strength to assure a reasonable degree of order throughout China and to afford reasonable protection to the lives and property of foreigners in China, for which purposes portions of the army would be stationed at strategic points throughout the territory of China.

2. Japan on her part would agree to remove her military and naval forces from Chinese territory as promptly as possible and in accordance with an agreement to be concluded between Japan and China.

3. The United States and Japan would cooperate in all appropriate ways toward assisting China during China's period of reconstruction in realizing the purposes stated in paragraph one.

4. Upon the establishment of peace between China and Japan the United States and Japan would withdraw the small detachments of armed forces and naval units which they now maintain in China or in Chinese waters in accordance with existing agreements and practice.

5. The United States and Japan will as soon as opportunity presents itself enter into negotiations with the Chinese Government looking to the relinquishment by the American and the Japanese Governments of extraterritorial and other special rights in China. The two Governments further undertake to use their influence with the Governments of the other nations concerned with a view to the taking by those nations of similar action under this paragraph and paragraph four in regard to armed forces and naval units.

6. In the light of the undertaking by China in paragraph one, the United States and Japan might each enter into bilateral agreements with China providing that, in the event that difficulties should arise between the United States and China on the one hand or between Japan and China on the other hand with respect to the protection of their respective nationals and interests in the territories of the other which are not adjusted by local officials or tribunals and which it has not been found possible to adjust through the diplomatic channel, such difficulties shall, if of a justiciable character, be referred to an international commission to be created by the two Governments concerned, whose decision in each case shall be regarded as final.

An arrangement of the character outlined above would show to the world that Japan and the United States are desirous of assisting China to the greatest possible extent and that they are willing to treat with China as a full-fledged sovereign state. Such a manifestation would undoubtedly meet with general approbation. It would encourage China in the development of her national aspirations, and by placing China on such a footing would, in the opinion of this Government, offer more of promise than any other course toward making realizable the undertakings and objectives in paragraph one. It certainly would have the effect of disarming critics who might otherwise be inclined to view the proposed settlement between China and Japan

as being equivocal with respect to the important matters of withdrawal of Japanese troops from China and respect for China's sovereignty.

Furthermore, it would be difficult to explain an arrangement which would permit for the purpose of combating communistic activities the stationing of foreign troops in Chinese territory, for the world would undoubtedly regard such an arrangement as inconsistent with the principle of respecting the sovereign dignity of China, which it is the declared purpose of the United States and Japan to support.

A plan of the character suggested in this statement would be in harmony with the proposed pronouncements by the United States and Japan with respect to peace in the Pacific area. It would likewise be an example to the rest of the world of the application of enlightened and progressive principles in adjustment of international difficulties.

Such a program by contributing to the strengthening and stabilizing of conditions in China offers, in the opinion of the Government of the United States, the best chance of creating an effective bulwark in China against the penetration of inimical foreign ideologies, including injurious communistic activities. It is the feeling of the Government of the United States that if the livelihood of the people is measured through stabilized conditions there is little room for the infiltration of such inimical foreign ideas or activities.

The Government of the United States wishes to repeat its desire to cooperate with the Government of Japan in bringing about a solution of the problems which are presented and expresses the hope that the suggestions herein briefly outlined will receive most thoughtful consideration.

It is believed that both the United States and Japan recognize the necessity in the maintenance of law and order of a unified governmental organization and that they would be in agreement that stipulations herein set forth visualize a strong central Government of China and the recognition by foreign governments of that central Chinese government. It is understood that the National Government of China having its temporary capital at Chungking is the Government of China referred to in the proposed understanding between Japan and the United States.

793.94119/750 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, May 31, 1941—1 p. m.

[Received May 31—9: 33 a. m.]

218. Rumors of possible American mediation of Sino-Japanese conflict with suggestion that United States might endeavor to separate

Japan from Axis at China's expense have circulated here during the past week or more. Failure of President in fireside chat¹² to refer directly to Japan has increased speculation in this regard and local press has commented at some length thereon. (My 215, May 30, 5 p. m.)¹³ Chinese officials have not approached me regarding these rumors and I do not believe that they are giving the Generalissimo and his chief advisers any appreciable concern.

GAUSS

793.94119/756

The Consul at Nanking (Paxton) to the Secretary of State

No. 168

NANKING, May 31, 1941.

[Received July 8.]

SIR: I have the honor to enclose, for the information of the Department a copy of a memorandum¹³ covering several unofficial conversations held by two American missionaries in Nanking¹⁴ with certain Japanese officials on the subject of possible terms of settlement of the Sino-Japanese hostilities. Though this office had indirect information from Japanese sources that the talks were proceeding, no report of any details of the subjects covered has been received until recently. Naturally, this office, in accordance with its understanding of general policy, has not only refrained from making any specific comments on the discussions but has also recommended extreme caution to the Americans concerned in pursuing them.

No detailed summary is included in this despatch of the contents of the memorandum, as one, prepared by Mr. Mills himself, forms a part of it.¹⁵

Perhaps the most significant point made is that, according to responsible Japanese here, the Japanese Central China Army Command is willing to consent to the withdrawal of troops from this area but believes that the North China command will not agree to withdraw its troops from certain portions of that area for fear of military threats from the Russian Army, Japanese distrust of which does not appear to have been appreciably diminished by the recent agreement between Japan and the Soviet Union. However, it is understood that other sources in contact with the Japanese Military in Peiping have been informed that they would be willing to leave China entirely (south of the Great Wall), if that were the only obstacle to peace.

¹² Radio address of May 27; Department of State *Bulletin*, May 31, 1941, p. 647.

¹³ Not printed.

¹⁴ Dr. M. S. Bates and Rev. W. P. Mills,

¹⁵ The enclosure, *infra*,

It is interesting to note, in this general connection, that a Japanese of considerable standing has recently stated in personal conversation that "Sino-Japanese negotiations for a settlement have been in continuous process ever since the commencement of the hostilities".

Respectfully yours,

For the Consul General
at Shanghai:
J. HALL PAXTON

[Enclosure]

Memorandum by the Reverend W. P. Mills, of Nanking

SUMMARY AND COMMENTS

The paragraphs that follow give a résumé of the most important points brought out in the interviews reported, together with certain comments related thereto.

1. There is now evident on the part of the Japanese a real desire for a settlement of the China conflict. To this end they are prepared to make concessions which they would not have made a year ago. However, in the meantime China has come to feel that her own position is stronger than it was, and she is therefore now insisting upon conditions, notably in regard to Manchuria, which she would almost certainly not have insisted upon earlier in the struggle. The Japanese readiness to make concessions is thus offset by China's increasing firmness, and the prospects of peace are consequently at the moment remote.

2. There is also evident on the part of the Japanese a desire to improve their relations with America. In this connection it is recognized clearly that a settlement of the Sino-Japanese conflict would at once tend, of itself, to bring about such improvement. However, the Japanese are not as yet prepared to effect a settlement of the Sino-Japanese conflict on any terms than their own, as the price of improving relations with the United States. Thus the basic opposition of views between America and Japan continues, and little can be done to improve relations until the Sino-Japanese conflict is settled.

3. In this connection, however, it should be noted that, at whatever time it may become possible to consider a Sino-Japanese peace, proposals such as those set forth in the appendix to this memorandum¹⁶ seem likely to prove fairly acceptable as a basis of discussion. Recent books and magazine articles, containing similar proposals, tend to support this statement. There seems to be a gradual crystallization of opinion as to the main lines along which a settlement of the Far East-

¹⁶ Entitled "The Conflict in East Asia", not printed.

ern situation should lie, a fact which should be helpful when the time comes to make such a settlement.

4. There is still, in spite of the recent Russo-Japanese pact, a deep suspicion on the part of the Japanese as to Russia's real attitude. This suspicion is given as the reason for the desire to station troops in North China. In this connection any intention of maintaining economic or political control in North China is denied, though whether this denial is genuine or not is, of course, open to question.

5. The attitude towards the Nanking regime, as revealed by the interviews, is significant. We are told that Japan is committed to the regime and must support it. At the same time one gets the impression that the Japanese now recognize that they will be obliged, in the end, to deal with Chungking for a settlement of the conflict. This they apparently hope to achieve through Nanking as an intermediary. In this connection it seems to be assumed that Nanking will offer no objection to any terms that satisfy both Chungking and Tokyo, if such can be agreed upon. As to what will happen to the Nanking regime in the event of the conclusion of peace with Chungking, nothing is said clearly. Apparently it is expected that Nanking will somehow be absorbed to a greater or less degree in the new Chinese government that will come into being after the war. Whether this expectation will prove well founded or not, only time can tell.

6. In one of the interviews it was stated quite positively that Chungking has indicated its readiness to accept some form of "cooperation" against Communism. If true, this is an important fact, and its bearings need to be fully considered. However, there seems to be no ground for Japanese hopes that this alleged readiness for "cooperation" against Communism will lead Chungking to agree to the stationing of any Japanese troops south of the Great Wall. Whatever "cooperation" there might be, will, it can be confidently asserted, have to take some other form than this. Moreover, the fact that the possibility of a "higher policy" was indicated, which would involve complete withdrawal south of the Great Wall, supports this view.

7. Japanese attitudes towards China proper and towards Manchuria, as brought out in the interviews, need to be clearly distinguished. In regard to the former there is frequent reiteration of the intention to abide by the Konoye declaration,¹⁷ and to respect China's sovereignty. All occupation by Japanese troops of China proper is said to be temporary only. Manchuria, on the other hand, is considered as never having been a part of China proper, and the Japanese regard themselves therefore as entitled to treat Manchuria in a different way from the rest of the country. Moreover, since their control of Manchuria has not been effectively disputed during the last decade,

¹⁷ December 22, 1938; *Foreign Relations, Japan, 1931-1941*, vol. 1, p. 482.

the Japanese now feel their position in that area to be secure. Indeed so strong is this feeling that it comes as a shock to the Japanese to have any one suggest (as is done in the proposals attached to this memorandum) that the Manchurian question is not already "permanently" settled. The fact that there was not the violent objection to this suggestion from the three persons interviewed that one might naturally have expected, is mildly encouraging; but, on the other hand, it cannot be thought for a moment that the Japanese as a whole yet envisage the possibility of their ever having to give up Manchuria. Only a crushing military defeat, or the near collapse of the Empire, would cause them seriously to consider such an eventuality. China, on the contrary, as has been already indicated, is equally determined on the recognition of her political sovereignty in Manchuria. It is thus likely that the most serious problem in the way of a Sino-Japanese peace, when such comes to be considered, will be the status of Manchuria.

8. The ultimate evacuation of Hainan Island would seem to be required by the Konoye declaration of no territorial aggression, but its temporary occupation is defended on the ground of the present international situation. The status of Hainan and the stationing of troops in North China may well prove to be the acid tests of Japan's sincerity in her professed intention to respect China's sovereignty.

9. The claim was made in one of the interviews that Japanese capitalists even more than the military are blocking a settlement with China at this time. This assertion is denied by some, who regard the claim as purely "face saving" for the military. The writer, however, is inclined to give the statement some credence, especially when one considers how strong Japanese economic interests have become in China during the last four years.

10. No enthusiasm for the Axis Pact was shown in any of the interviews. In fact there was one outspoken condemnation of it, and that, surprisingly enough, by the military officer taking part in the conversations. On the other hand a desire to avoid conflict with America was manifest, though the danger of war was frankly faced. It was felt that this danger lay chiefly in the gradual deterioration of the situation, a deterioration which would almost certainly occur unless positive measures were taken to prevent such a result. In this connection it was made clear that American entry into the European war, if that should come about, would not necessarily bring Japan and the United States into conflict, though naturally it would increase the chances of their becoming so involved. However, American participation in the European war, if that should occur, plus increasing American aid to China, could easily create a situation where conflict would be inevitable.

11. It was emphasized in the interviews that Japan's policy of southward expansion is a peaceful one. This is doubtless true, if the expansion Japan desires can be secured without the use of force. Moreover, since the strengthening of the defenses of Singapore, of the Philippines, and of the Dutch East Indies, Japan's southward policy is certainly likely to be more cautious than it was before, and in this sense peaceful. However, it is not to be doubted that Japan will, unless checked, expand southward in whatever way she thinks best for her own interests. Hence the maintenance of the defenses of the places above mentioned in the highest state of readiness and efficiency is essential. To write thus is not to accuse the parties interviewed of conscious insincerity. It is merely to be realistic. For nothing in the history of the last ten years has shown that Japan can withstand the temptation to expand by force, if she believes that force will obtain for her what she desires. In this sense Japan's membership in the Axis is a natural alliance, even though many of her wiser heads decry it.

12. As was indicated in the last interview reported, the situation between Japan and America at the moment, from the Japanese point of view, can be summarized as follows: both countries are watching each other cautiously, neither being quite sure of its real strength; if either were sure, war between them might come very quickly.

The writer does not believe that America is as opportunistic or as devoid of principle in international relations as this summary suggests. Neither does he believe that all Japanese would approve for their own country such a course as the statement implies—the heartless waging of war for purely national and selfish ends. Nevertheless, the writer does believe that there is enough truth in the statement quoted above to represent accurately the situation in the Orient today so far as Japan is concerned. Peace rests, so far as it depends on those who control Japanese policy, only on the thin edge of the balance as to whether it—peace—pays better than war.

American policy in regard to the Orient today must therefore start from a clear realization of this fact, and all of her efforts, whether in a material or a diplomatic sense, must be directed towards convincing the Japanese that peace will serve their interests better than war. Such efforts will be seconded by the saner section of Japanese public opinion, and thus seconded may suffice to carry the day; but if they are to do so, they must be efforts steadily and unceasingly made.

Thus, on the diplomatic side, no avenue of effecting a settlement of the Sino-Japanese war that seems hopeful, nor any plan that promises even by a little to improve Japanese-American relations, should be left unexplored. At the same time, on the material side, there should be no slackening of our aid to China, but rather a constant increase in the help given. Furthermore, economic pressure against

Japan should be steadily extended, in order that her resources, whether for the war against China, or for a possible war against the United States, should be correspondingly curtailed. And finally, it should be made clear to Japan that any effort on her part at further expansion by force would meet with instant opposition from us. Japan must be brought to understand that we mean it when we say, "Thus far, and no further!"

In brief, as the writer sees it, the policy which America should have towards Japan at this time is this. Conciliation where conciliation is possible, but always and everywhere firmness. Vacillation will imperil both our own interests and China's, as well as those of Britain and Holland. Firmness, plus conciliation, where such can be shown without sacrifice of principle, may carry us through, without an open break with Japan, to the end of the present struggles in Europe and Asia, and give us at that time the opportunity of taking part in the construction of a genuinely new order throughout the world. But such future opportunity will be the fruit only of present firmness.

(Summarized by W. P. Mills)

711.94/2133 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Токүо, June 2, 1941—7 p. m.
[Received June 2—12: 10 p. m.]

757. For the Secretary and the Under Secretary. Embassy's 743, May 27, 2 p. m. A Japanese friend in whom I have entire confidence conveyed to me the substance of a statement made to him today by an important personage who is being consulted in connection with the conversations taking place in Washington, [as] follows:

On May 30 the German Ambassador called on the Minister for Foreign Affairs and asked for an explanation of statements attributed by the American President [*press?*] to members of Congress in direct touch with the President to the effect that the President's views with regard to the Far East were undergoing a change in the direction of conciliation. The Minister thereupon undertook to issue a public statement emphasizing Japan's solidarity with the Axis and he did in fact release such a statement the following day (I have cabled the Department the text thereof).¹⁸

2. Mr. Matsuoka has now been informed of the tenor of the Washington conversations.

3. High officials here to whom Ambassador Nomura is reporting on the conversations are gravely concerned over the appearance of

¹⁸ See telegram No. 754, May 31, noon, p. 973.

statements such as those attributed to the Congressmen under reference, and over subsequent speculative discussions in the American press ascribing whatever approach which might have been made by Japan to fear of the United States, the breaking down of Japan's economy and the rapid deterioration of Japan's military strength. The continuation of speculative discussions along such lines, along with further suggestions by presumably responsible persons in American public life with regard to the trend of the President's thoughts, would make the position of the favorable elements here extremely difficult.

4. Informant expresses the view that the potentialities for a successful outcome of the Washington conversations will decrease in direct ratio to the delay incurred in reaching an agreement and the resulting opportunity for harmful public speculation.

GREW

711.94/2134 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 3, 1941—2 p. m.

[Received June 3—6:16 a. m.]

760. For the Secretary and the Under Secretary. Embassy's 757, June 2, 7 p. m. Indicative of the extent to which reports are current here that conversations between the United States and Japan are taking place in Washington is the following information given to me today by an American correspondent:

1. The Minister for Foreign Affairs, when asked by Japanese press men to comment on the President's speech of May 27,^{18a} replied that he did not wish to comment for the reason (which he emphasized was not to be indicated) that conversations are now under way in Washington.

2. The foreign editor of the newspaper *Asahi* told my American informant that a plan of settlement had been proposed by Japan, that the United States had put forward a counter plan, but that progress had been blocked by the refusal of Japan to withdraw from China.

GREW

856D.24/46

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] June 3, 1941.

The Foreign Minister of the Netherlands, Dr. van Kleffens, called to see me today. After the customary courtesies, Dr. van Kleffens

^{18a} Department of State *Bulletin*, May 31, 1941, p. 647.

said that he wished me to know that he had the most thoroughly satisfactory impression of the situation in the Netherlands East Indies so far as morale was concerned, and to a very considerable extent so far as defense measures were concerned. He said that the Netherlands Navy had more than sufficient arms and munitions for all of its requirements and that more than sufficient munitions existed for the heavy and coast artillery required for the defense of the islands. He said, furthermore, that all of the munitions stores were kept underground and in the judgment of the most competent authorities were, consequently, safe from damage by aerial attack. He stated that the morale of the people was admirable, the discipline of the fighting forces excellent, and that there was a unanimous determination to resist Japanese or any other foreign aggression.

He said that they greatly appreciated the aviation materiel which had been sent to them by this Government but that what they also urgently needed was a large number of long range bombers. He said that of course many of the planes received from the United States had already had a good deal of service patrolling and in certain cases replacements were urgently needed. He referred to the conversations which he had had with General Brooke-Popham¹⁹ in Manila and said that as a result of that conference, and as a result of the subsequent conference held in Singapore, he felt that a very satisfactory general basis for cooperation between the United States and Great Britain and the Netherlands had been worked out, although he felt strongly that additional detailed implementation was eminently desirable. He inquired at this point whether the United States intended to send an additional number of long range bombers to the Philippines.

I replied that the immediate objectives of this Government had been to render Hawaii completely impregnable and to concentrate on the sending to that point of all of the defense material which was considered necessary.

I said that I was glad to say that that had now been done and that the general staffs of both the Army and the Navy of the United States believed that Hawaii today could not possibly be attacked successfully by any enemy force. I said to the Minister that this had been the immediate and most urgent objective and that while I could not answer his question categorically, it was my understanding that the aviation strength in the Philippines was to be increased and to be effectively built up as soon as the more urgent requirements of this Government had been attended to.

¹⁹Air Marshal Sir Robert Brooke-Popham, British Commander in Chief, Far East.

The Minister said he had asked this question because, as a result of the conversations recently held, in the event that the Philippines were attacked and the United States took part in the war against Japan, the Netherlands East Indies would send three squadrons of long range bombers to assist in the defense of the Philippines, and that if this were done, they would, of course, be very short of long range bombers themselves.

The Minister then said that what the Netherlands Government in the East Indies urgently and immediately needed was small arms and ammunition for small arms, together with anti-aircraft artillery and additional aviation as he had already indicated. The Minister said that he had already talked with Mr. Hopkins²⁰ but that he wished to leave with me a memorandum identical with that which he had already given to Mr. Hopkins. He urgently asked that I personally do what I could to expedite a favorable decision by the appropriate authorities here of these requests of the Netherlands East Indies Government.

I replied that I would be very glad to do so and that I was in a position to tell him confidentially that from what General Marshall²¹ had stated to me, it would probably be possible for this Government to make available to the Netherlands East Indies Government some time in July an additional limited number of medium range bombers of the most modern type which it was believed here would be of very valuable service to the Netherlands East Indies in the defense of the islands.

I told the Minister that I would be glad to take up this memorandum personally with General Marshall, although I was confident that Mr. Hopkins' staff was already attending to the matter in the fullest detail.

I then asked the Minister what impressions he had with regard to the negotiations that had been carried on with the Japanese.

The Minister answered that Mr. Yoshizawa,²² the head of the delegation was a hard-boiled man, but that he, the Minister, had been equally hard-boiled. He said that in his first conversation with Mr. Yoshizawa he had immediately stated that the Netherlands East Indies authorities would not permit the members of the so-called commercial delegation to undertake objectionable activities while they were receiving the hospitality of the Government. He said that many of the members of the delegation were known to be in reality military and naval officials and that they had frequently been found in defense sites from which the public was excluded. He said that Mr. Yoshizawa had retorted that he would like to have a list of such instances.

²⁰ Harry L. Hopkins, Special Assistant to President Roosevelt.

²¹ Gen. George C. Marshall, Chief of Staff, U. S. A.

²² Kenkichi Yoshizawa, former Japanese Minister for Foreign Affairs.

Dr. van Kleffens said that he had replied that there was no reason for them to give any such specific instances since they were already fully known to Mr. Yoshizawa himself.

Dr. van Kleffens said that his belief was that the whole attitude of the Japanese throughout the negotiations had been primarily one of bluff. He said that Yoshizawa himself was not a bad man, but was in the position where he had to carry out the orders sent to him. (I got here the strong impression that the Dutch authorities are fully familiar with the instructions sent to Yoshizawa by his Government and the replies which he made thereto.) He said that it now seemed to him as if the Japanese were going to use the refusal of the Dutch to agree to sales of rubber as a pretext for declaring that the negotiations had broken down and for undertaking threatening activities. He said the facts were that the Japanese today were getting from Indochina and Thailand greater quantities of rubber than the amount of their normal consumption over the past five years and that there was not the slightest justification for any insistence on the part of the Japanese for getting rubber from the Netherlands East Indies in as much as it was obvious that such additional supplies of rubber would be utilized solely for transshipment to Germany.

In response to a specific question, the Minister said that he did not believe the Japanese would attack in the south at the present time. His views coincided completely with our own, namely, that such attack would not be undertaken until and unless the British had been completely wiped out of the Mediterranean region and the Red Sea was closed to their fleet. This he felt was inevitable and he believed that this moment would probably occur in July.

The Minister spoke at some length about the speech he was to make in Chicago this coming Friday. I told him I felt that his presence in this country, and his clear and unemotional exposition of the facts relating to his own country and to the situation in the Pacific would be very helpful from the standpoint of public opinion here.

He said he was hoping that he could go to London next week and that he trusted he would return to this country later on. He said once more that he believed it of the utmost importance that the United States Government without further delay reach an agreement with the British Government as to the bases of a future peace settlement. He said he felt that the United States would be the determining factor if a just and reasonable and lasting peace were to be devised. He expressed great dissatisfaction with the attitude of the British Government, particularly of the men close to Mr. Churchill, in that regard.

856D.24/46

The Under Secretary of State (Welles) to the Chief of Staff, United States Army (Marshall)

WASHINGTON, June 4, 1941.

MY DEAR GENERAL MARSHALL: The Foreign Minister of the Netherlands left with me yesterday the attached memorandum.²³ He told me that he had already given a copy to Mr. Harry Hopkins but asked very earnestly that I myself do what I could to obtain careful consideration of these requests by the ultimate authorities here. I am therefore taking the liberty of sending this to you personally.

The general picture which the Minister gave me concerning the situation in the Netherlands East Indies was exceedingly good. He said that the Netherlands Navy had more than sufficient arms and ammunition for its use and that they had in the islands all of the heavy artillery and coast artillery which they required. He spoke of the general determination to resist as being more than satisfactory and he said that the spirit and morale of the armed forces were admirable. Rifles and small calibre ammunition constituted, he said, their most urgent need.

Believe me [etc.]

SUMNER WELLES

711.94/2139 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 4, 1941—10 p. m.

[Received June 4—2:45 p. m.]

765. For the Secretary and the Under Secretary. Embassy's 757, June 2, 7 p. m. Matsumoto, head of Domei, came to see me this evening as a personal friend and conveyed what purported to be a direct message from Prince Konoye to the effect that no credence should be placed in rumors now circulating in Tokyo of a cleavage between himself and Mr. Matsuoka. The Prime Minister wished me to know that he and the Minister for Foreign Affairs are in accord in matters of foreign policy and that Japan's policy envisages complete loyalty to the provisions of the Tripartite Treaty. Matsumoto spoke of a recent editorial or article in the *Washington Herald* alleging that negotiations were being conducted between the United States and Japan and he mentioned also an article in the *Washington Post* reporting a statement by an American Congressman touching directly or indirectly on such negotiations. He inquired whether there was any truth in these reports. I replied that I was conducting no negotiations whatsoever but that I frequently discussed

²³ Not printed.

general and specific questions with Mr. Matsuoka just as Admiral Nomura discussed general and specific questions periodically with the Secretary of State in the interests of American-Japanese relations.

Tokyo is placarded with posters calling on the public to support Mr. Matsuoka. It is not yet [clear?] whether or precisely why he needs such organized support.

The purpose of the Prime Minister in sending me such a message is open to various interpretations. The first thought that unfortunately occurs is to wonder whether efforts to bring about American-Japanese conciliation may be dying on the rocks of premature publicity.

GREW

711.94/2141 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 5, 1941—noon.
[Received June 5—6 : 36 a. m.]

766. For the Secretary and Under Secretary. 1. The Canadian Chargé d'Affaires, under instructions from his Government, called on me this morning and said that his Government would welcome an expression of my opinion as to the wisdom of either (a) denouncing the Canadian commercial agreement with Japan²⁴ or (b) blacklisting the Japanese firms of Okura, Mitsubishi and/or Mitsui. I expressed my personal opinion that in view of certain conversations now being held in Washington aimed at exploring the possibility of reaching some conciliatory understanding between the United States and Japan, it would be wise to hold in abeyance the contemplated Canadian steps until an outcome of the aforesaid conversations had been reached. Mr. McGreer said that this opinion coincided with his opinion which he had cabled to Ottawa on May 26.

2. Mr. McGreer had already told me that he had been informed of the aforesaid conversations by Sir Robert Craigie, who in turn had been advised of Lord Halifax's reports to London on that subject. In reply, however, to Mr. McGreer's telegram of May 26 to Ottawa the Canadian Government said that it was unaware of any such conversations. Mr. McGreer thereupon suggested to his Government that information be sought through the Canadian Minister in Washington.²⁵

3. In this connection, my British colleague on May 24, showed me the exchange of telegrams between Lord Halifax and Mr. Eden on

²⁴ For treaty of commerce and navigation between Great Britain and Japan signed at London, April 3, 1911, see *British and Foreign State Papers*, vol. civ, p. 159; for supplementary convention signed at London, July 30, 1925, see *ibid.*, vol. cxxi, p. 812.

²⁵ Leighton McCarthy.

the subject of the Washington conversations and Sir Robert Craigie asked what I thought of those conversations. I replied that I was personally impressed with Secretary Hull's view that even if there were only one chance in 25 of reaching a reasonable agreement it would be unwise to miss that chance by refusing to explore its possibilities.

GREW

711.94/2143 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 6, 1941—1 p. m.
[Received June 6—9: 31 a. m.]

774. Embassy's 765, June 4, 10 p. m.

1. The Japanese principal²⁶ referred to in the Department's instruction no. 2125 February 25²⁷ called this morning to say that his associate²⁸ had met the Prime Minister by chance yesterday and that the latter had remarked briefly that the conversations in Washington were proceeding satisfactorily. Our informant is asking his associate to call on me in the near future to give me full details of his conversations with the Prime Minister. He said also that the Prime Minister had recently called in the editorial writers of several of the principal papers and had said that he was seriously disturbed by the efforts of Germany to persuade Japan to follow a course calculated to lead to war with the United States and that he was at a loss to understand why Germany would welcome the dissipation of Japan's resources which such a war would entail.

2. A Japanese official of no great influence but in an excellent position to be informed of trends in the highest political quarters stated that serious differences of opinion have developed between the Prime Minister and the Foreign Minister and that these differences will be publicly disclosed in the near future.

GREW

711.94/2139 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, June 6, 1941—6 p. m.

312. For the Ambassador and the Counselor only. Your 765, June 4, 10 p. m.

1. The Department notes with interest the method employed for delivery of the purported message.

²⁶ Tetsuma Hashimoto, or "Mr. Y," leader of the Shiunso, who visited Washington in the winter.

²⁷ Not printed.

²⁸ Teikichi Toda.

2. It is suggested that when you receive messages relating to the Tripartite Pact of the purport of the one under reference you in your discretion reply along lines of the Department's 280, May 17, 6 p. m., by way of making clear that this Government is resolved to exercise its inalienable right of protection and self-defense and to take whatever measures it may consider essential thereto; and that the taking by this country of any other course, viewed in the light of the experience of some fifteen countries in Europe which were told that they would not be molested, would be absurd, futile and suicidal from the standpoint of reasonable precautions for the safety of this country. You might point out that requests or intimations that the United States desist from a course of protection and self-defense in resistance to movements of conquest would in actual effect range those making such requests or intimations on the side of those favoring movements of aggression by force. It would be suicidal for this country to allow Hitler to get control of the seas and it does not propose to sit still and not resist until he thus succeeds, and therefore the resistance of the U[nited] S[tates] on the seas and by aiding Great Britain, is the very essence of self defence.²⁹ As stated, this Government's course is based squarely on the inalienable right of self-protection and self-defense.

HULL

711.94/2144 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, June 6, 1941—10 p. m.

[Received June 6—noon.]

783. Embassy's 774, June 6, 1 p. m.

1. The associate mentioned in second sentence of telegram under reference called on me this afternoon and definitely corroborated the information conveyed in paragraph numbered 1 of aforesaid telegram.

2. In the light of the foregoing information and our general observation of the political situation in Tokyo, I am now inclined to question the accuracy of the alleged message from the Prime Minister reported in Embassy's 765, June 4, 10 p. m. Much political maneuvering is going on in Japan at the present time.

GREW

²⁹ Sentence added in Mr. Hull's handwriting.

711.94/2146 : Telegram

The Ambassador in Brazil (Caffery) to the Secretary of State

RIO DE JANEIRO, June 9, 1941—5 p. m.

[Received 5:17 p. m.]

614. A few days ago the Japanese Ambassador attempted to ascertain the view of President Vargas about the possibility of war between the United States and Japan. President Vargas told him that if Japan attacked or declared war upon the United States, she would be attacking or declaring war upon Brazil also.

CAFFERY

711.94/2162³*Memorandum Prepared in the Department of State*³⁰CHANGES FROM MAY 31 DRAFT³¹ IN JAPANESE DRAFT OF JUNE 8³²*Preamble.*

First paragraph: Add "for the resumption of traditional friendly relations".

Third paragraph, first line: "Earnest" instead of "present".

Third paragraph, third line: Insert "the" before "establishment".

Third paragraph, fourth line: After "Pacific area" insert "as well as the prevention of the extension of the European war".

Third paragraph, fifth line: After "understanding" insert "encourage world peace and".

Fifth paragraph: Insert after "deliberated" "later".

I. *The concepts of the United States and of Japan respecting international relations and the character of nations.*

First paragraph: "Between" instead of "among".

Second paragraph, third line: After "household" insert "living under the ideal of universal concord through justice and equity";

Second paragraph, last line: "Peoples[""] instead of "nations".

II. *The attitudes of both Governments toward the European war.*

First paragraph: Second sentence omitted.

³⁰ Pencil notation on a copy filed in the Division of Far Eastern Affairs: "June 10, 1941."

³¹ For American draft of May 31, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 446.

³² Not printed; copy of document handed the Secretary of State on June 9 by the Postmaster General (Walker).

III. *Action toward a peaceful settlement between China and Japan.*

Rewritten. Texts of draft of May 31 and of Japanese draft shown separately in parallel columns.

IV. *Commerce between both nations.*

No change.

V. *Economic activity of both nations in the Pacific area.*

Rewritten.

Important change is elimination of pledge of nondiscrimination in international commercial relations.

New paragraph added which makes specific that we undertake to do something for Japan by way of production and procurement of natural resources in the Southwestern Pacific area.

Comparison of two drafts shown in attached sheet.

VI. *The policies of both nations affecting political stabilization in the Pacific area.*

Second line: "Controlling" changed to "basic".

VII. *Neutralization of the Philippine Islands.*

No change.

ANNEXES

III. *Action toward a peaceful settlement between China and Japan.*

Japanese annex.

Introductory sentence revised to read: "The basic terms as implied in the Konoe principles and the practical application of those principles are as follows:"

2. "Cooperative defense against communistic activities". Word "injurious" omitted. May 31 draft reserves the point for further discussion.

3. "Economic operation". Japan does not intend (a) to exercise economic monopoly in China; nor (b) to limit the interests of third powers in China.

5. "Eastern Asia" instead of "Far Eastern".

6. "Armed forces" for "military and naval forces". "And Chinese waters" omitted.

9. "Recognition of Manchoukuo".

Annex VII. Neutralization of the Philippine Islands.

"The Government of the United States will accord in the Philippine Islands to the Japanese subjects a nondiscriminatory treatment."

- II. *The attitudes of both Governments toward the European war.*
Annex on the part of the Government of the United States.
Omit statement from Secretary's address of April 24.
- III. *Action toward a peaceful settlement between China and Japan.*
Entire new annex on part of the United States.
- IV. *Commerce between both nations.*
Annex on the part of the Government of the United States.
Two sentences added.
- VI. *The policies of both nations affecting political stabilization in the Pacific area.*
- a. United States annex repeats statement in our oral explanation.
Does not belong in annex.
 - b. Ditto.
 - c. Immigration. Ditto, plus addition of a sentence.

Addendum.

There is also an addendum reading as follows:

"The Government of Japan declares that it has no intention to establish military bases within the area of the Western Hemisphere; nor to entertain any political designs therein. Similarly, the Government of the United States declares that it has no intention to establish military bases in East Asia or in the Southwestern Pacific area; nor to entertain any political designs therein. The Government of Japan and the Government of the United States mutually recognize the defensive position each maintains respectively in the East Asia area and in the Western Hemisphere."

III. *Action toward a peaceful settlement between China and Japan.*

OUR DRAFT OF MAY 31

The Japanese Government having communicated to the Government of the United States the general terms within the framework of which the Japanese Government will propose the negotiation of a peaceful settlement with the Chinese Government, which terms are declared by the Japanese Government to be in harmony with the Konoe principles regarding

JAPANESE DRAFT OF JUNE 8

The Government of Japan having declared that the general terms, within the framework of which the Government of Japan will propose the negotiation of a peaceful settlement of the China Affair, are implied in the Konoe principles and in the practical application of those principles, the President of the United States, relying upon the policy of the Government of Japan to

neighborly friendship and mutual respect of sovereignty and territories and with the practical application of those principles, the President of the United States will suggest to the Government of China that the Government of China and the Government of Japan enter into a negotiation on a basis mutually advantageous and acceptable for a termination of hostilities and resumption of peaceful relations.

NOTE (The foregoing draft of Section III is subject to further discussion of the question of cooperative defense against communistic activities, including the stationing of Japanese troops in Chinese territory.)

V. *Economic activity of both nations in the Pacific area.*

OUR DRAFT OF MAY 31

On the basis of mutual pledges hereby given that Japanese activity and American activity in the Pacific area shall be carried on by peaceful means and in conformity with the principle of non-discrimination in international commercial relations, the Japanese Government and the Government of the United States agree to cooperate each with the other toward obtaining non-discriminatory access by Japan and by the United States to commercial supplies of natural resources (such as oil, rubber, tin, nickel) which each country needs for the safeguarding and development of its own economy.

establish a relation of neighborly friendship with China, will suggest to the Government of Chiang Kai-shek that it enter with the Government of Japan into a negotiation for a termination of hostilities and resumption of peaceful relations.

JAPANESE DRAFT OF JUNE 8

With mutual pledges hereby given that American activity and Japanese activity shall be carried on by peaceful means on the basis of mutual benefit, fair dealing and friendly cooperation, both Governments agree to cooperate and support each other toward obtaining non-discriminatory access to commercial supplies which each country needs for the safeguarding and development of its own economy.

Noting that the Japanese development in the direction of the Southwestern Pacific area is declared to be of a peaceful nature, American cooperation and support shall be given in the production and procurement of natural resources, such as oil, rubber, tin and nickel—which Japan needs.

711.94/2162.†

*Memorandum Prepared in the Department of State*³³MEMORANDUM OF COMMENT ON JAPANESE SUGGESTIONS OF JUNE 8³⁴*Preamble.*

No objection to suggested changes with the exception of the addition in the third paragraph after the words "Pacific area" of the words "as well as the prevention of the extension of the European war". It seems inadvisable to include any statement open to possible misinterpretation to the effect that the United States would attempt to bring about a negotiated peace.

I. *The concepts of the United States and of Japan respecting international relations and the character of nations.*

No objection to suggested changes except that it is felt that the addition in the second paragraph after the word "household" of the words "living under the ideal of universal concord through justice and equity" tends to emphasize an idealistic concept rather than a practical one.

II. *The attitudes of both Governments toward the European war.*

The suggestion that the second sentence of the first paragraph of the draft of May 31³⁵ be omitted raises difficult questions. If the first sentence of the paragraph should stand alone, it would be regarded in the United States as a threat against this country in connection with a decision which belongs to this country alone. It is suggested that some way be found of indicating that the Japanese Government regards the United States as already involved in the European war and therefore not subject to the paragraph. Alternatively the first paragraph might be changed to read:

"The Government of Japan maintains that the purpose of the Tripartite Pact was, and is, defensive and that the provisions of the Pact do not apply to involvement in the European war through acts of self-defense."

³³ Marked "Unofficial, exploratory and without commitment", this memorandum was handed on June 10 to the Postmaster General by Mr. Hamilton, "under instruction from the Secretary of State, for the purpose of assisting the Postmaster General and Father Drought in conversing with the Japanese. The memorandum was handed by Mr. Walker to the Japanese." In a separate memorandum of June 10 the Chief of the Division of Far Eastern Affairs (Hamilton) stated, however, that "I told the Postmaster General that the Secretary had asked me to explain that these comments were designed to be of possible help to him and to Father Drought in conversing with the Japanese concerned and that the memorandum was not to be handed to the Japanese."

³⁴ Not printed, but see memorandum *supra*.

³⁵ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 446, 447.

III. *Action toward a peaceful settlement between China and Japan.*

As indicated on several occasions, mention of the Konoe principles as a whole creates special difficulties. Moreover, we can appropriately refer to the Chinese Government at Chungking but not to "the Government of Chiang Kai-shek". We do not understand why difficulties are presented by the phraseology used in the draft presented to the Japanese Ambassador on May 31. Question is raised whether Japan intends to continue to support Wang Ching-wei.

V. *Economic activity of both nations in the Pacific area.*

The pledge that Japanese activity and American activity in the Pacific shall be carried on in conformity with the principle of non-discrimination in international commercial relations has been deleted. The making of such a pledge is deemed to be of special importance.

It is not clear what is the intent of the second paragraph, and it is suggested that examples be given of how Japan intends that the provisions of the paragraph would operate, whereupon further consideration could be given to this paragraph.

VI. *The policies of both nations affecting political stabilization in the Pacific area.*

No objection to the suggested change, namely, substituting the word "basic" for the word "controlling".

ANNEXES

ON THE PART OF THE GOVERNMENT OF JAPAN

III. *Action toward a peaceful settlement between China and Japan.*

As already stated, reference to the Konoe principles as a whole presents difficulties.

With reference to point numbered two, "Cooperative defense against communistic activities", the word "injurious" has been omitted. This point is reserved for further discussion, in as much as no satisfactory formula has yet been presented.

With regard to point numbered three, "Economic cooperation", the statements made are too narrow. For example, under (a) Japan could have ninety percent control of a particular enterprise and still maintain that she did not have a monopoly.

There is no objection to the other suggested changes, with the exception of point numbered nine in regard to Manchoukuo. The phraseology used in the draft handed the Japanese Ambassador on May 31 is decidedly preferable from our point of view.

VII. *Neutralization of the Philippine Islands.*

The suggested annex is entirely new, no need is perceived for it, the Philippines would have to be consulted before it could be adopted, and the subject matter would seem to be more properly one for treaty negotiations.

ON THE PART OF THE GOVERNMENT OF THE UNITED STATES

II. *The attitudes of both Governments toward the European war.*

The annex on the part of the United States consisting largely of a quotation from the Secretary of State's address of April 24⁸⁸ has been omitted. It is desirable that this statement be included or that some reference be made to it at least in an exchange of letters.

III. *Action toward a peaceful settlement between China and Japan.*

There is suggested an entirely new annex on the part of the United States. The introductory statement might be acceptable with some change in phraseology. Subheading (a), while not objectionable as a statement, does not in our opinion clarify with sufficient precision the language used in the annex on the part of Japan relating to this point. There is no objection to subheading (b). Subheading (c), with its intimation that Japanese troops may continue to be stationed in China, presents serious difficulties from our point of view, since the United States is expected to take some action with reference to the proposed terms of peace.

IV. *Commerce between both nations.*

Two new sentences have been added which are believed to be unobjectionable, provided it be understood by Japan that our supplying of commodities to Great Britain is part of our self-defense program.

VI. *The policies of both nations affecting political stabilization in the Pacific area.*

This entire section, with the exception of the last sentence, repeats statements made in our oral explanation. It is not clear why it is desired to have these statements in an annex. The inclusion of the last sentence would bring up again the question of immigration, which, as already indicated, does not in our opinion belong in these discussions.

Addendum.

The suggested addendum is entirely new, it raises important new questions, and it is believed that the introduction of such questions would seriously complicate rather than facilitate the present discussions.

⁸⁸ See text as printed in *Foreign Relations*, Japan, 1931-1941, vol. II, p. 430.

711.94/2162⁺

The Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] June 10, 1941.

MR. SECRETARY: In regard to the John Doe matter:

In a memorandum a copy of which was given to you by the Navy Department, Lieutenant Commander Lewis L. Strauss, U. S. N. R., reporting to the Director of the Office of Naval Intelligence under date May 22, 1941, stated that in a conversation with him Mr. Wikawa had "indicated that the individual who had been responsible for the whole idea was a Missionary, Reverend Father James Drought, of the Maryknoll Fathers . . ." ³⁷

As I envisaged this matter, Father Drought has taken upon himself and is playing the rôle of a promoter and salesman. My conjecture is that he first "sold" the idea of a negotiation and if possible an agreement to certain Japanese and that he has been since and is doing his utmost to "sell" the idea to you (and through you to the President): Drought is the pushing and the pulling agent in the matter. He has enlisted as his aides the Postmaster General and the three Japanese with whom you have been and are conversing about this matter. As a go-between, he has brought those gentlemen and you (with your aides) into what amounts—no matter how it may otherwise be technically described—to a negotiation.

The proposed agreement is in my opinion something which neither the Japanese nation nor the people of the United States want and which, if consummated, will be distasteful to both. On that point I may or may not be mistaken. I am convinced, however, that the immediate effects of the conclusion of such an agreement, if it takes place in the near future, will be bad as regards China and as regards Great Britain. I am also convinced that the ultimate effects will be bad as regards the United States and as regards various of the fundamental objectives of this country's foreign policy.

As I have said to you repeatedly, I feel that certain useful purposes may be served by the carrying on and continuance of the conversations. But I would view with unqualified misgiving the eventuation of an agreement such as is under discussion.

I feel it my duty in fairness to you and to others here who are intimately concerned with the matter to let you know that to the best of my knowledge every officer of the Department who has been associated with or who has close knowledge of the progress of the conversations shares in the misgivings to which I have been and am giving expression

³⁷ Omission indicated in the original.

(although the breadth and depth of these misgivings varies among the various individuals who entertain them).

Yours respectfully and sincerely,

STANLEY K. HORNBECK

740.0011 Pacific War/227 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 10, 1941—8 p. m.

[Received June 11—7:50 p. m.]

802. For the Secretary and the Under Secretary. A friendly member of the Diet, well known to the Embassy, has sent me the following message through a reliable American on the ground that he himself is afraid to come to the Embassy in view of his well-known pro-American sympathies.

Begin Japanese message.

Informant, who appeared to be worried and nervous, said that very strong pressure is being brought to bear on Mr. Matsuoka to take strong action against the Netherlands East Indies and that this pressure is being exerted from two separate sources: (1) from the German Embassy, who are urging the Japanese to take advantage of the present situation to move in the South Seas on the ground that the United States is in no condition to engage in hostilities in both the Atlantic and Pacific, and (2) from certain extreme Japanese nationalists who feel that Japan should acquire the Netherlands East Indies before the end of the war in order to forestall German designs on the islands in the event of a possible German victory in Europe.

Informant states that German penetration in Japanese cultural and other societies is much greater than is generally believed and that these agencies are being used at the present time in order to whip up popular feeling against the Netherlands East Indies in order to force Mr. Matsuoka's hand. Informant said that although he does not know the details of the Dutch reply now under study in Tokyo he understands that it is of such a nature as to provide fuel for nationalist propaganda. Informant further stated that in Japanese governmental circles it is believed that the United States has already moved an appreciable part of its Pacific fleet to the Atlantic. In informant's opinion the Dutch would have been wiser to have played for time and to have been less uncompromising in their attitude. End Japanese message.

As I am in the dark as to the progress and present status of the American-Japanese conversations in Washington, and equally in the dark as to whether or to what extent the hope of a successful outcome of those conversations may be exercising a restraining influence on extremist tendencies in the Japanese Government, I cannot with any assurance appraise the dangers envisaged by informant. From

the tactical point of view an attack on the Netherlands East Indies would seem to be fraught with the gravest dangers to Japan, especially while the campaign in China is still in progress. On the other hand it would be shortsighted to underrate the strength of extremist influence both in military and political circles here. The Foreign Minister is undoubtedly very much in the pocket of the Axis and largely amenable to Axis pressure. He, furthermore, commands a large and strong following in Japan. In his actions and utterances he has consistently shown an almost total disregard and discounting of the risks of forceful action by the United States to curb Japan's expansionist ambitions.

If a decision to descend on the Netherlands East Indies were assuredly dependent upon the careful deliberation and exhaustive calculation of the Cabinet, I have little doubt that moderate and restraining influences would prevail or else that the issue would bring about the Cabinet's fall. On the other hand, in order that we may be prepared for all eventualities, we should remember that the armed forces of Japan, as in the invasion of Manchuria, are capable of sudden and surprise action without the prior sanction of the government. I think it highly unlikely that Japan will for the present exercise anything more than high pressure diplomacy on the Netherlands East Indies. Nevertheless, all of the foregoing considerations should constantly be borne in mind in connection with the preparedness of the United States to deal with possible unexpected developments in the Far East.

GREW

711.94/2162,4

*Memorandum Prepared in the Division of Far Eastern Affairs*⁸⁸

[WASHINGTON,] June 11, 1941.

It appears from statements made by Mr. Walker that the Japanese may be prepared to bring their document more in conformity with our policies in a number of important respects. If the Japanese should do this (and Mr. Walker is not sure that they will) there would still remain outstanding important points as follows:

(1) The question whether it is advisable to delete the whole section in regard to the European war.

(2) The question of joint defense against communism in so far as it involves the retention of Japanese troops in China.

(3) Exploration of the Japanese concept of nondiscrimination in international commercial relations as applied to actual practice in

⁸⁸ Notations on file copy: "Memorandum of comment by FE on statements made by Mr. Walker on proposals by 'John Doe'"; "Not used".

the Pacific area. The question whether the Japanese would agree to apply this basis in their commercial relations with China and, if so, the question of how they would expect to give it practical application. Would they, for instance, expect to abolish their special development companies in China or to alter the functions of such establishments so as to divest them of preferential and monopolistic characteristics? Would they abolish yen bloc currencies in north and central China? Would they promptly remove existing restrictions on shipping and on movement of persons and goods?

(4) The question whether Japan intends to support Wang Ching-wei. The question whether the Japanese would send us a letter stating that, if the Chinese Government at Chungking agrees to enter into negotiations with Japan pursuant to the suggestion of the American Government, the Japanese will forthwith regard the Government at Chungking as the Government of China and will regard the treaties and agreements signed by the Japanese Government with the Wang Ching-wei government as supplanted by treaties and agreements concluded with the Chinese Government at Chungking.

Mr. Walker wishes to see the Secretary tomorrow (June 12).

The Secretary might wish to indicate to Mr. Walker that in as much as we have had no reply directly from the Japanese as to their reaction to what we said on June 6, other than the statement made orally to Mr. Ballantine on June 9,³⁹ that the Japanese were going to send us a further revision, it is believed that we should await a direct approach by the Japanese to us before making a further move ourselves.

894.20211 Tachibana, Itaru/12

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] June 14, 1941.

The Japanese Ambassador called to see me this morning as a result of his urgent request for an interview.

The Ambassador said that he had learned of the arrest in Los Angeles of Lieutenant Commander Tachibana by Federal authorities, and that from newspaper reports which he had read and from information sent to him by his consular officials in that city, it was apparent that the arrest was made on a charge of espionage.

The Ambassador said that he realized that this was primarily a judicial question but he wished urgently to express the personal hope

³⁹ See memorandum of June 9, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 468.

that in the interest of friendly relations between the two countries, the Government of the United States might permit Commander Tachibana to be deported immediately from the United States rather than to be subjected to trial. The Ambassador said that at this time some hotheads in Japan might seize the opportunity to create some difficulties for American language officers in Japan as a measure of retaliation and that this would merely make a bad situation worse.

At this stage the Ambassador interjected, with no apparent relation to the subject that he had been discussing, the statement that he wished me to know that officers of the Japanese Navy were really very friendly to the United States and that they had a great admiration for the American Navy and for American naval officers.

I replied by saying that the Ambassador was, of course, well aware of the very friendly regard in which he personally was held by officers of the American Navy.

The Ambassador then went back to the other subject and said that while he was fully cognizant of the fact that the Tachibana case was one for the Department of Justice to handle, he hoped very much that the Department of State would try in a friendly way to have his suggestion adopted.

I said to the Ambassador that I was completely ignorant of the details of this case and that as he had correctly stated, the matter was one within the jurisdiction of the Department of Justice, but that I appreciated his friendly statement and the spirit which prompted it and that he could rest assured that the matter would be given immediate consideration.

S[UMNER] W[ELLES]

793.94/16686 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 16, 1941—6 p. m.

[Received June 17—6:30 a. m.]

831. Admiral Suetsugu, Chairman, Cooperative Council [of] Imperial Rule Assistance Association, speaking before first of series meeting this body, stated today [that] issues soon demanding Japan's final decision are: Settlement China incident, Southern problem and approaching American participation [in] war. Referring to Tripartite Alliance as union [of] powers aiming construct new world order and based upon imperial will, Suetsugu said: "If United States enters war, Japan must be resolved take up arms for sake faith, honor. Southern issue is turning point [of] fate [of] Great East Asia; Japan

must not be satisfied present situation. Japan holds final key to world war; her task is not easy demands [*sic*]. Resolve through preparation."

Sent Department via Shanghai.

GREW

793.94/16726

The Ambassador in China (Gauss) to the Secretary of State

No. 31

CHUNGKING, June 16, 1941.

[Received July 7.]

SIR: 1. I have the honor to enclose, as of possible interest to the Department, a copy of a memorandum⁴⁰ of a conversation held by an officer of the Embassy with Mr. Shao Yu-lin, Director of the Department of Intelligence and Publicity of the Chinese Ministry of Foreign Affairs on June 13, 1941. There is also enclosed copy of a document⁴⁰ supplied by Mr. Shao during the course of the conversation, the nature of which was not made clear; it would appear, however, to constitute a Chinese estimate of certain factors in the Far Eastern situation based on information gathered from undisclosed official and unofficial sources.

2. In brief, there appears to be a feeling in official Chinese quarters that British appeasement of Japan is still an active possibility to be reckoned with in the Far East; that Japan has embarked on a campaign of "testing" the American attitude and policy, particularly with respect to Japanese pressure on the Netherlands Indies; and that Japan is endeavoring at the same time to come to an understanding with the United States and Great Britain which might prove mutually profitable to the Powers concerned—to the United States and Great Britain in Europe and to Japan in the Far East—at the expense of China and Germany.

3. Chinese distrust of Great Britain appears to remain as deep-seated as ever notwithstanding the statement issued by the British Ambassador to China at Chungking on May 9, 1941 to the effect that British policy toward China remained unchanged.* It does not seem likely that this want of confidence is likely to disappear so long as the possibility exists of Japan's being divorced from its commitments under the Tripartite Pact.

4. The nature of the conversation in question and of the material contained in the attached document seems also to indicate that a

⁴⁰ Not printed.

*Embassy's telegrams Nos. 175, May 10, noon and 177, May 10, 2 p. m. [Footnote in the original; telegram No. 177 not printed; for telegram No. 175, see vol. v, p. 646.]

certain apprehension is entertained in some Chinese circles with regard to news reports of alleged American-Japanese discussions looking to the settlement of Far Eastern problems. As was reported in my telegram no. 218, May 31, 1 p. m., this apprehension seems to have prevailed in certain Chinese quarters since the latter part of May 1941; but there is no evidence yet that it is giving Chinese leaders serious concern, especially in the light of concrete manifestations of American assistance to China and of the recent statements of the Secretary of State in regard to American policy toward Japan.

5. It seems likely that reports of American-Japanese negotiations are being deliberately spread by agents of the Axis Powers with a view to sowing doubts in the minds of China's leaders of the good faith of the Anglo-Saxon Powers, to suggesting that the actions of those Powers are characterized by duplicity. It is not beyond the realm of possibility that the Japanese Government might attempt to enter into conversations with the American Government not only with this object in mind but also with a view to clarifying to such an extent as may be possible the precise attitude and policy of the American Government toward present and future Far Eastern developments.

Respectfully yours,

C. E. GAUSS

711.94/2162½

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)* ⁴¹

[WASHINGTON,] June 18, 1941.

OBSTACLES

1. Matsuoka's instructions to the Ambassador here.

2. Statements of responsible Japanese leaders in regard to the closeness of Japan's relations with Germany and Italy, exemplified in congratulatory message sent to Mussolini.

3. Unwillingness to refer to the Secretary's statement in regard to our self-defensive attitude in reference to the European hostilities.

4. Insistence on right to station

FAVORABLE CONSIDERATIONS

1. Mildness of Japanese reaction to the reply of the Netherlands East Indies Government in regard to economic questions.

2. Indications that Germany does not like and is worried by the discussions here.

3. Reports have come to Mr. Grew that most of the Japanese Cabinet do not favor going to war with the United States in the event that the United States should become involved in the European hostilities; also, that

⁴¹ Notation on file copy: "Shown to the Secretary of State."

Japanese troops in China to combat communistic activities.

5. Tendency to support the Wang Ching-wei regime and to regard Japan's treaties with that regime as a model for future treaties with the Chungking Government.

6. Question of non-discrimination as related to China (this might be worked out).

7. Question of Japanese troops in French Indochina and of possible Japanese economic preferences there has not been raised.

Matsuoka's attitude and policy are not supported by the most influential members of the Cabinet (these reports, however, are all second- or third-hand).

711.94/6-1941

*Memorandum by Mr. Joseph W. Ballantine to the Secretary of State*⁴³

[WASHINGTON,] June 18, 1941.

MR. SECRETARY: It is suggested that the Secretary may wish to send for the Japanese Ambassador and make an oral communication to him along lines as follows:

The Secretary appreciates the earnest efforts which have been made by the Japanese Ambassador and his associates to bring about a better understanding between our two countries and the frankness which has characterized their attitude throughout the conversations which have been held. This Government is no less desirous than the Japanese Ambassador to bring about better relations between the two countries, and in that spirit the Secretary has given careful study to every aspect of the Japanese proposal. During the course of our conversations we believe that we have come to understand better each other's point of view, but there still remain two points in regard to fundamentals in respect to which our conversations have not resulted in reconciling our differences of viewpoint.

⁴³ Submitted on June 19 by the Chief of the Division of Far Eastern Affairs (Hamilton) to the Secretary of State with a covering memorandum, as follows:

"This is a revision of the paper Mr. Ballantine and I were discussing with you yesterday. It is our thought that you would ask the Japanese Ambassador to call and hand him this paper.

"If convenient, Mr. Ballantine and I would like to drop in for a few minutes this afternoon sometime at your convenience to discuss the matter further. In the meantime we will expect to show this draft to Mr. Hornbeck and Mr. Hackworth."

For oral statement handed by the Secretary of State to the Japanese Ambassador on June 21, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 485.

One of these two points concerns the relations of the two countries toward the European war. That is to say, we feel in the light of public statements which have been made by Japanese official spokesmen on the subject of Japan's obligations under the Tripartite Pact in relation to the possibility of entry by the United States into the European war, that in order to offset these statements some assurance by the Japanese Government is needed that these obligations would not arise should the United States become involved in the European war through acts of self-defense. It seems desirable that some way be found by the Japanese Government to afford an indication of the attitude of the Japanese Government on this point.

The second point relates to the desire of the Japanese Government to include in its terms for a peaceful settlement to be offered to the Chinese Government a provision which would permit the retaining of Japanese troops in certain areas in Inner Mongolia and North China as a measure of cooperation with China in resisting communistic activities. While this Government fully appreciates the motives of the Japanese Government in seeking such a right, and while it does not desire to enter into the merits of such a proposal, it feels that in view of the liberal policies to which this administration is committed, as exemplified in its relations with other American republics, this Government would find it difficult to associate itself with any course which appeared to be inconsistent with these policies. Furthermore, although in matters affecting only this country we might have some latitude of decision as to the yielding of rights, we are involved in the point in question only because the proposal under consideration calls for action by this Government. Under the circumstances, as the matter affects the sovereign rights of a third country we feel that we have to be most scrupulous in dealing with the matter. Moreover, this Government has serious doubts whether the Chinese Government would entertain such a proposal. If the Japanese Government has reason to believe otherwise, it would be a question for the Japanese Government to decide whether it should itself make such a proposal to the Chinese Government.

With regard to the other aspects of the Japanese proposal for an understanding between our two Governments, we feel, from our point of view at least, that any difficulties which may remain are not of a serious character, and are susceptible of being cleared up in the course of our conversations here. In as much as there would appear to be no purpose in proceeding with these conversations until the two points already referred to as presenting fundamental difficulties have been surmounted, the Japanese Ambassador may wish in his discretion and judgment to consult his Government with reference to the ques-

tion of whether the Japanese Government would be prepared to give further consideration to the two points under reference.

894.20211 Tachibana, Itaru/15

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] June 18, 1941.

Under instruction and authorization from Mr. Welles I telephoned Mr. Wakasugi, the Japanese Minister, and asked him whether he could call on an urgent matter. He said that he would be glad to come to my office at once. Upon his arrival I told him that I wished to speak with him in regard to the case of the arrest of Lieutenant Commander Tachibana, with regard to which the Japanese Ambassador had spoken to Mr. Welles on June 14. I told Mr. Wakasugi that, out of consideration for the Ambassador and in view of his special interest in preserving and promoting friendly relations between our two countries, the Secretary had given this case very special consideration, as a result of which we had asked the Department of Justice not to go ahead with criminal proceedings against Commander Tachibana but to endeavor to work out an arrangement whereby the criminal proceedings would be dropped and Commander Tachibana would agree to leave this country immediately and never to return. I emphasized to Mr. Wakasugi that our action and attitude in the matter were not to be regarded as a precedent and that what we were doing represented something very special and unusual.

I said that I wished to bring to his attention the very marked contrast between the treatment accorded the Japanese and other foreigners in this country and the treatment accorded American citizens in Japan. I reminded him that Commander Tachibana had, almost immediately after his arrest, been released on bail. I contrasted this with the treatment accorded Mr. James R. Young, an American correspondent in Japan,⁴⁴ who had been arrested on charges which were certainly not so serious as the charges against Commander Tachibana. I reminded Mr. Wakasugi that Mr. Young had been kept in confinement for some three months, during which time he was allowed only the barest communication with the outside and that only with a representative of the American Embassy under severe limitations. I referred to the arrest of a number of American missionaries in Korea on charges which again could not be regarded as involving matters as serious as the charges against Commander

⁴⁴ See *Foreign Relations*, 1940, vol. iv, pp. 995 ff.

Tachibana. I said that these Americans were not allowed out on bail and had been kept practically incommunicado. I mentioned expressly the case of Matsuo, the Japanese clerk of the American Consulate at Taihoku. I said that we had reason to believe that the charges against Matsuo were the result of a grudge against him on the part of a Japanese police officer in Taiwan because Matsuo refused to cooperate in supplying information relating to the official business of the American Consulate. I said that we had made repeated representations to the Japanese Government in regard to the Matsuo case, but without avail. I said that Matsuo had been sentenced to three years' imprisonment and that Mr. Grew had spoken to Mr. Matsuoka several times since the trial. I mentioned that Mr. Matsuoka had said that he would endeavor to get a pardon for Matsuo, but that no such pardon had been obtained.

I told Mr. Wakasugi that I referred to these cases to bring into clear relief the very special treatment which was being accorded Tachibana. I said that in view of this very special treatment we believed it only fair that the Japanese Government as a mark of reciprocal good-will obtain a full and complete pardon for Matsuo and also accord more liberal treatment to Americans arrested and imprisoned in Korea. I said that the cases to which we were directing the attention of the Japanese Government were not cases comparable with that of Tachibana; that we believed that Matsuo, the interpreter of our Consulate at Taihoku, was entirely innocent; and that the offenses with which the Americans in Korea were charged were not so serious as the offenses with which Tachibana is charged. I repeated that it seemed only fair that the Japanese Government, as a mark of reciprocal good-will, take the steps indicated.

Mr. Wakasugi said that he personally wished to express appreciation of the attitude which we were taking in the Tachibana case; that he would report to the Ambassador; and that the Ambassador would report to the Japanese Government what I had said to him. He said that of course he could make no commitment with regard to the two questions which we had raised, in as much as they were judicial questions. I interrupted to state emphatically that the case of Tachibana was also a judicial question and that the repeated statements of Japanese diplomatic and consular officers to the effect that matters of the arrest of American citizens were judicial matters which must be allowed to run their usual course with attendant long imprisonment of Americans, infrequent provision for release on bail, and a practice of holding Americans under arrest practically incommunicado presented startling contrast to the treatment accorded Japanese arrested in this country. I said that, in view of this contrast and in

view of the very special treatment which this Government was according Tachibana, it seemed only fair that the Japanese Government take definite steps to show reciprocal good-will. Mr. Wakasugi repeated that he appreciated very much the action which we were taking in reference to Tachibana and that he would report immediately to the Ambassador.

M[AXWELL] M. H[AMILTON]

894.20211 Tachibana, Itaru/6-1941

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON], June 19, 1941.

The Japanese Ambassador called to see me today at his request.

The Ambassador said he had called solely to express his own deep personal gratitude for the position which had been taken by Secretary Hull and by myself in the case of Lieutenant Commander Tachibana. The Ambassador said that the leniency shown by the United States Government in this case would be deeply appreciated by the whole Japanese Navy and he was sure that it would have a most helpful effect upon the general situation at this moment. He said he had been informed of the conversation which the Counselor of his Embassy had had the day before with Mr. Hamilton, at my suggestion, and that Mr. Hamilton's observations had already been transmitted by him to his Government and he trusted that his Government would respond in a generous and satisfactory way to the action taken by the United States.

The Ambassador again said that I could be confident that the Japanese Navy desired friendly and peaceful relations with the United States upon a solid and permanent foundation. I said that from the time of my residence in Tokyo twenty-seven years ago, it had always been my own hope that friendly and peaceful relations could be maintained between our two countries and that our two countries would cooperate towards the continued maintenance of peace in the Pacific.

The Ambassador referred to his conversations with Secretary Hull and said in general terms that he now felt decidedly optimistic as to the successful conclusion of these conversations. I expressed my gratification upon learning his opinion.

[On June 22 Germany invaded the Soviet Union. For correspondence on this, see *post*, pages 905 ff. and volume I, section II under "Activities of the Soviet Union in Eastern Europe, and Soviet Relations With the Belligerent Powers."]

CHAPTER III: JUNE 22-AUGUST 21, 1941

Japanese policy decision (July 2) following outbreak of German-Soviet war; Generalissimo Chiang Kai-shek's warning to President Roosevelt (July 2); Acting Secretary Welles in survey of Far East situation with British Ambassador (July 10); Secretary Hull's views on resignation of Prince Konoye's Cabinet (July 17); Admiral Toyoda's appointment to replace Foreign Minister Matsuoka in new Konoye Cabinet (July 18); Secretary Hull's desire to head off Japanese move in southern Indochina (July 21); Hull-Welles agreement that Japan's action in Indochina threatens informal conversations (July 24); Ambassador Grew's telegram reporting Japanese surprise over U. S. retaliatory action (July 26); Generalissimo Chiang's concern over China's role in anti-aggression front (August 2-3); Atlantic conference draft statement on Japan (August 15); President Roosevelt's exposition of policy to Ambassador Grew and Prime Minister Churchill (August 18); Ambassador Grew's support of Prince Konoye's offer to meet President Roosevelt (August 19)

740.0011 European War 1939/12959

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] June 22, 1941.

Lord Halifax called to see me this morning at his request.

The Ambassador discussed the developments between Germany and Russia at some length. The possibilities involved therein which he foresaw were more or less the same as those which we here have in mind.

I took occasion to express to him my hope that in whatever arrangements Great Britain might make with the Soviet Union, anything in the nature of a formal alliance would be avoided because of the Japanese angle of the problem. I said that it was my own belief that Japan sooner or later would attack Russia in view of the German attack upon her, and that if anything in the nature of a formal alliance were concluded between the Soviet Union and Great Britain, if Japan attacked Russia, it would automatically bring Japan into conflict with Great Britain. I said it seemed to me that the wise policy for both the United States and Great Britain to pursue was a policy of expediency based upon a mere recognition of the fact that both Great Britain and the Soviet Union were at war with Germany, but that anything more far-reaching than that, unless subsequent developments made us change our mind, would seem to me ill-advised at this stage, particularly until we saw far more clearly than we now do what the Japanese course of policy may be.

Lord Halifax said he agreed most emphatically with this line of reasoning and that he assumed that his Government would adopt that course. He seemed confident that the development would be of benefit to Great Britain, although he envisaged the probability that if

and when Germany defeated Russia, Hitler would then present a plausible peace proposal based upon the fact that he had defeated communism and established a new order in Europe and was no longer anxious to continue hostilities against Great Britain, or undertake them with the United States.

740.0011 European War 1939/12389½

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)*

[WASHINGTON,] June 23, 1941.

The German attack on the Soviet Union will undoubtedly cause much confusion and debate in Government circles in Japan.

Some Japanese Government circles will argue that Russia's preoccupation with Germany will give Japan freedom for a number of months at least from the menace of a possible Russian attack against Japan and that therefore Japan should embark on military operations against the Dutch East Indies and British Malaya.

Other Government circles in Japan will urge that this is Japan's opportunity to remove the Russian menace to Japan and that Japan should attack Russia in the Far East. These circles will be supported by those Japanese who fear the setting up by Hitler of a German-dominated régime in the Soviet Far East. I believe that the likely development of Japanese thought will be along this line rather than along the line indicated in the previous paragraph.

If the foregoing analysis is correct, it seems to me that the German attack on Russia is likely to result in a postponement for at least a few months of any Japanese attack upon British and Dutch possessions to the southward.

With regard to the consideration that conclusion by this Government of any agreement or understanding with the Japanese Government would, even though the Japanese Government might not in the long run be able to carry out the provisions of any such agreement, tend to deter Japan for a period of months from embarking upon further aggression southwards, it would seem that such an objective is likely to be realized without the conclusion of any agreement with Japan.

A further consideration now forcefully presents itself: In as much as the fundamental purpose of the proposed agreement with Japan is to maintain and to preserve peace in the entire Pacific area, would an attack by Japan upon Russia be consistent with the spirit and purpose of any such agreement? It seems to me that the answer must be in the negative. It also seems to me that a pledge by Japan not to attack

the Soviet Union would be much less likely to be kept by Japan than a pledge by Japan not to attack British and Dutch possessions in the Pacific. In my judgment the strongest motive which would impel Japan not to attack British or Dutch possessions in the Pacific is the likelihood that such action by Japan would result in war with the United States. It seems to me that there is much less likelihood that a Japanese attack on Russia would result in war with the United States and I would therefore be very skeptical of a Japanese pledge not to attack the Soviet Union.

The outbreak of the German-Russian war will probably increase the eagerness of the Japanese Government to conclude with the American Government an agreement of the type under discussion. At the same time the outbreak of the German-Russian war (1) makes less the need on our part for such an agreement, and (2) decreases the chance that Japan would in good faith carry out any pledge made by Japan to pursue courses of peace in the Pacific area (including Far Eastern Russia).

M[AXWELL] M. H[AMILTON]

Note: If the policy of the United States develops in the direction of extending substantial aid to the Soviet Union, there may result a situation in which an attack by Japan on Soviet Russia would carry with it substantially more of risk of war with the United States than is in my opinion now the case.

740.0011 European War 1939/12420: Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, June 25, 1941—8 a. m.

[Received June 25—6 a. m.]

255. At his request I had a conference late yesterday afternoon with Generalissimo Chiang who inquired as to the American Government's attitude toward result of Russo-German hostilities. I stated that I had not yet received any official information on the subject but added my personal view that this act of German aggression would cause unsympathetic reaction in the United States.

He expressed concern as to the effect of the hostilities on Russo-Japanese relations and emphasized and reiterated the wish that the United States would announce substantial assistance to Russia and at the same time express the hope that Russia would cooperate with Great Britain in Europe, and China in the Far East. He believed such an announcement would greatly encourage Russian resistance against Germany and forestall possible arrangement between Russia and Japan. He expressed apprehension that, lacking American as-

surance of assistance, Russia would seek an arrangement with Japan which would free Russia from attack by Japan and permit the latter to move southwards, a development which he suggested might involve the United States in hostilities. He seemed convinced that Japan would either make an arrangement with Russia or go to war with Russia.

Replying to my question he stated: (1) that the effect of Russo-German hostilities on Russian assistance to China was not important and, (2) that relations between the Chinese Government and the Chinese Communists might "possibly" be improved by the hostilities.

In answer to my inquiry as to any official Chinese pronouncement in regard to Russo-German hostilities he stated that no statement contemplated, adding that Chinese policy is largely dependent on that of the United States. He also indicated that clarification of Japan's attitude is awaited.

He requested me to communicate his views to the American Government and to inform him of our policy in this matter.

Sent to the Department only.

GAUSS

740.0011 European War 1939/13723

Memorandum by the Assistant Chief of the Division of Far Eastern Affairs (Adams)

[WASHINGTON,] June 25, 1941.

Assuming that the hostilities between Germany and Russia may be of some duration, certain further assumptions are permissible:

(1) The outbreak of war between Germany and Russia pushes forward into a position of immediate urgency for Japan the chronic problem of Soviet Vladivostok, situated approximately in the geographical center of the Japanese Empire.

(2) If the Germans were to succeed, through their military activities and through the occurrence of a revolution in Russia, in establishing a government for all of Russia under German influence, that accomplishment or the imminence of that accomplishment would be an impellent to Japan to move against Siberia. Soviet Russia as at present constituted offers at Vladivostok and at other points on the Asian coast of Russia less threat to Japan than would a German-controlled government of Russia, Germany being an expanding aggressive force. If, on the other hand, German military activities should be aimed at and should accomplish merely the pushing of Soviet Russia out of Europe so that Germany would be able to utilize the resources of the Ukraine and of Transcaucasia, Soviet Russia would be shut off from access to water in Europe and would of necessity turn its eyes toward the shores of the seas of Japan and of Okhotsk. Such a development would bring the center of Soviet Russia appreciably nearer Japan and increase the communist menace to Japan. With these considerations

in mind it seems within the realm of probability that developments will in the near future (following a period of confused thought in Japan) tend to influence Japan toward attack upon Soviet Russia in Siberia.

(3) An attack by Japan upon Soviet Russia in Siberia would, despite the existence of a theoretically self-sufficient Far Eastern Soviet army, tend to divide the efforts of the Soviet Government and to shorten the period of Russian resistance to Germany.

(4) It is to the interest of the United States that Russia continue to resist Germany as long and as successfully as possible.

The foregoing assumptions naturally lead to consideration of what the attitude of the United States toward Japan should be in the light of the new situation.

From the short point of view, having in mind our very considerable interest in the maintenance of peace in the South Pacific, there would seem, at least superficially, to be some merit in the idea of allowing Japan to attack Soviet Siberia and thus to expend its military resources in that direction. From the long point of view, however, having in mind our interest in defeating the forces of aggression as a whole, it is believed that the United States should now endeavor to immobilize Japan both as regards an attack upon Siberia and as regards an attack against Singapore or the Dutch East Indies. Moves or gestures by the United States which would render Japan uncertain in regard to the intentions of the United States in the South Pacific would operate in the direction of preventing Japan from becoming involved in Siberia.

In the field of negative action this might be accomplished (along lines recently outlined as our policy toward the Soviet Union): (a) by making no approach to the Japanese Government; (b) by treating any approach to the United States by Japan with reserve; (c) by making no sacrifice in principle in order to improve relations with Japan and, in general, by giving Japan to understand that we consider an improvement in the relations between our two countries to be more important to Japan than to the United States; (d) by basing our day to day relations with Japan upon the principle of reciprocity so far as may be practicable.

In the field of positive action the Government of the United States has already taken some steps which should tend to discourage action by Japan against Russia.⁴⁶ These include the President's statement on June 24⁴⁷ that the United States would give all aid possible to Russia, the Acting Secretary's statement on the same subject on June 23⁴⁸ and the action of the Treasury Department on June 24 in freeing \$40,000,000 in frozen Russian credits in the United States as a token

⁴⁶ See telegram No. 124, June 25, 8 p. m., to the Ambassador in China, *infra*.

⁴⁷ Statement made to the press.

⁴⁸ Department of State *Bulletin*, June 28, 1941, p. 755.

of active American sympathy with the U. S. S. R. in its war with Germany.

There are suggested below certain possible further steps which should, if taken, tend to discourage military action by Japan against Russia: (a) the immediate freezing of Japanese assets in this country would increase Japanese uncertainty as to the intentions of this Government; (b) increased restrictions upon the export of petroleum products to Japan from the United States would further increase Japanese uncertainty; (c) there should be made during the next two or three months increased efforts to strengthen the position of American, British and Dutch defenses in the Far East; (d) there might be permitted to leak out hints of a cooperative defensive arrangement between the American and British and Dutch armed forces in the Far East; (e) finally the United States might present to Japan in response to any overtures that Japan might make, suggestions in regard to the restoration in the Pacific of the *status quo* at the beginning of the Sino-Japanese hostilities. For example, it could be suggested that the Japanese withdraw entirely from French Indochina and from the islands of the South Pacific which Japan has recently occupied, etc.

It is submitted that the paramount importance to Japan of the present situation at Vladivostok and of possible developments in relation to that situation would, so long as there remained the possibility of a turn of events that would enable Japan to solve the problem presented by that situation, operate to prevent Japan from accepting any challenge which might be construed to be contained in acts or gestures by the United States, Great Britain and the Dutch in regard to the South Seas.

740.0011 European War 1939/12420 : Telegram

The Acting Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, June 25, 1941—8 p. m.

124. Your 255, June 25, 8. a. m. You will have noted the statement of the Acting Secretary quoted in radio bulletin 148, June 23 in regard to the German attack upon Soviet Russia, the penultimate paragraph of which statement reads as follows: "In the opinion of this Government, consequently, any defense against Hitlerism, any rallying of the forces opposing Hitlerism, from whatever source those forces may spring, will hasten the eventual downfall of the present German leaders, and will therefore redound to the benefit of our own defense and security."

In radio bulletin 149, June 24, mention is made that the Treasury Department had that day freed dollars 40,000,000 in frozen Russian

credits in this country as a token of active American sympathy with the U. S. S. R. in its war with Germany.

In his press conference on June 25, the Acting Secretary stated, in response to inquiries made by correspondents during the past two or three days, that he was authorized by the President to state that in as much as the President finds that it is not in this present instance necessary for him to issue a proclamation in order to promote the security or preserve the peace of the United States, he has no intention of issuing a proclamation under the so-called Neutrality Act.⁴⁹ In response to further questions, the Acting Secretary reminded the correspondents that the President has issued various proclamations defining so-called combat areas under the terms of previous proclamations and added that the "combat areas" do not include the Pacific region.

You may communicate the foregoing to General Chiang Kai-shek in such manner as you deem appropriate, informing him also that we appreciate his analysis of the situation as reported by you and are giving careful attention thereto.

WELLES

740.0011 European War 1939/12497 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, June 25, 1941—10 p. m.
[Received June 26—10: 20 a. m.]

1219. The Chinese Ambassador⁵⁰ called to see me this morning and expressed great satisfaction with recent international events. He said he had feared that the Soviet Union might be driven into the Axis, in which event the position of Chiang Kai-shek would have been hopeless. Now, however, Japan is surrounded by the British, Austrians and Dutch on one side, the Chinese and Russians on another and the United States on the west and must shortly decide between attacking the Soviet Union and abandoning Central and Southern China, or refraining from such an attack and thereby impair the Axis.

The Ambassador said that he had been assured by the Soviet authorities that deliveries of war materials to China now en route would not be stopped but that he had gained the impression that no further deliveries would be made.

He also stated that he had recommended to his Government that steps be taken immediately for cooperation between the Chinese and Soviet Russian armies in the west [*event?*] of a Japanese attack on

⁴⁹ Approved November 4, 1939; 54 Stat. 4.

⁵⁰ Shao Li-tzu.

the Soviet Republic and that he understands that the chief Soviet adviser in Chungking already had adequate authority to make any such arrangements.

STEINHARDT

894.20211 Tachibana, Itaru/19 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 26, 1941—10 p. m.

[Received June 27—10 a. m.]

888. Embassy's 871, June 24, 10 a. m.,⁵¹ arrest of Tachibana. The Foreign Minister's secretary telephoned to a member of my staff this afternoon stating that Mr. Matsuoka had asked him to convey to me the following message:

Following the conversation with the American Ambassador at the end of May concerning the arrested missionaries in Korea, Mr. Matsuoka had discussed the question with Governor General Minami of Korea who was then in Tokyo, and had urged the desirability of settling the matter on a "political basis." In this connection the Foreign Office had received a telegram from the Korean Government General dated June 24 stating that it had been decided to settle the arrest of the missionaries on that basis, and that the same treatment would be given them as that accorded Tachibana (the telephone connection was not clear but this person was probably meant), and the missionaries would be told to depart from Korea. The message added that the American Bureau of the Foreign Office would communicate with the Embassy as soon as details forwarded by mail from Keijo are received.

As the Governor General of Korea can hardly have had any knowledge of the Tachibana case, it can be assumed that the initiative in bringing about the above was probably taken for the Foreign Office. It will be noted that no mention was made of the Matsuo case. I have not yet discussed the Tachibana case with the Foreign Minister and will not do so on my own initiative until a reply to this telegram is received from the Department.

GREW

894.20211 Tachibana, Itaru/20 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 27, 1941—5 p. m.

[Received June 28—11:14 a. m.]

890. Embassy's June 24 [26?], 10 p. m., American missionaries in Korea. The Foreign Minister's secretary as well as an official of the

⁵¹ Not printed.

American Bureau stated definitely today that the initiative in obtaining special treatment for the American missionaries in Korea was taken by Mr. Matsuoka himself on the basis of the treatment accorded Tachibana in the United States, and that the Foreign Minister had sent a personal telegram to the Governor General a few days ago in that sense. The reply was likewise a short personal message and he did not state definitely whether all or only some of the missionaries involved in the two cases would be permitted to leave Korea. No reply could be obtained to the question as to what would happen if the missionaries refused to accept the proposed conditions. These and other details will be forwarded by mail to the Foreign Office in a few days, and will be made available immediately to the Embassy, it was promised.

No mention was made of the Matsuo case. The impression was received that the Tachibana case embarrassed the Foreign Minister and other foreign officials and that they were seeking a method of reciprocating for the furtherance of friendly relations.

GREW

711.94/2154 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 27, 1941—7 p. m.

[Received June 28—1:12 p. m.]

892. For the Secretary and the Under Secretary. 1. A highly placed Japanese in whom I have great confidence and who has been consistently friendly to us informed me that he had yesterday seen the Prime Minister on a personal matter, and that Prince Konoye had asked my informant whether I was aware of his (Prince Konoye's) views and attitude with regard to improving Japan's relations with the United States. I assume that Prince Konoye was guardedly referring to the Washington conversations. In view of the irreproachable character of this informant, his statement confirms certain doubts which I have entertained with regard to the purported message from Prince Konoye reported in Embassy's 765, June 4, 10 p. m.

2. My present informant added that he personally expected "startling developments" within the next week or 10 days. The statement, having regard to the context in which it was made, carried the implication that the "developments" would be of a character favorable to the American position.

GREW

711.94/6-2841

Memorandum by Mr. Max W. Schmidt, of the Division of Far Eastern Affairs ⁵²

[WASHINGTON,] June 28, 1941.

It might well prove beneficial to the best interests of the United States should the Japanese Government now decide to follow a course of action designed to cause Japan to turn away from the Axis and in the direction of cooperation with the United States. The suggestion is offered that by emphasizing to the Japanese Government at this moment the unalterable opposition of the United States to aggression, the possibility of the United States becoming involved with Germany at some unpredictable moment in the future, the lack of aggressive intent on the part of the United States and the continued willingness of this Government to consider settlement of Pacific problems on the basis of well-enunciated principles of order, justice and equity, this Government might influence important decisions now being formulated in Japan. The American position is well-known to the Japanese Government, but an emphatic and brief reiteration of that position would, it is believed, be of value at this juncture. The Secretary or the Under Secretary might wish to call in Admiral Nomura and, after conveying to him the substance of the Department's telegram no. —, June —, 1941 to Ambassador Grew make further remarks along the following lines: ⁵³

This Government is thoroughly convinced that the program of Hitlerism is a menace to every nation and believes that that menace, even to Japan, is clearly demonstrated by the most recent *volte face* of Germany in its attack on Russia. This Government perceives that the position of Japan in the long run is likely to become increasingly difficult as a consequence of the Russo-German war, regardless of the final outcome or which nation is victorious.

The Government of the United States has on numerous occasions clearly made known to the world its attitude toward the forces of aggression which threaten to destroy the freedom of all nations. Officers of this Government have repeatedly emphasized their belief in international self-restraint, in processes of peaceful negotiation and agreement and in the development of a program of mutually beneficial trade based on principles of reciprocity and equality of treatment for all as means of promoting economic security and stability the world over. That belief is no less strongly held today.

⁵² Pencil notation on file copy: "Telegram to Tokyo drafted June 30—Including statement on Russo-Japanese relations."

⁵³ Telegram referred to may be No. 355, June 27, 2 p. m., p. 987; no record of a conversation such as suggested here has been found in Department files. Apparently the action recommended by Mr. Schmidt was not taken.

While standing unalterably opposed to the employment of force and the resort to aggressive use of arms, the United States has expressed its willingness to consider and to discuss alteration of existing situations through peaceful processes and on a basis of equity and justice for all nations.

While resolute in its determination to exercise to the fullest extent the right of self-defense and to take all measures to protect its security, the United States has not and does not intend to assume an aggressive attitude toward any nation.

The utter lack of morality in the policies pursued by Hitler and the rapid expansion of Hitler's field of aggression and attack preclude the possibility of accuracy in any attempt to predict at what moment the United States, or even Japan, may suddenly find itself forced by the dictates of self-defense to take up arms against Hitler.

711.94/2214

*Memorandum by Mr. Joseph W. Ballantine*⁵⁴

[WASHINGTON,] June 30, 1941.

The *New York Times* and other newspapers this morning published an account of an interview said to have been given by the Prime Minister of Japan to an American press correspondent.⁵⁵

The Prime Minister said, "Let me emphasize again that we are very anxious to maintain friendship for the United States. We consider that the German-Japanese alliance is designed to keep the United States from involvement in the European war. The Tripartite Pact has one chief purpose—of a defensive nature . . ." ⁵⁶

The statements of the Prime Minister in regard to a desire for friendly relations with the United States cannot be considered as expressing views different from those which have been repeatedly announced by spokesmen of the Japanese Government for the last several years. The statement that the Tripartite Alliance is designed to keep the United States from involvement in the European war has been widely interpreted in this country not as a manifestation of peaceful intent but as a threat to discourage the United States from entering the European war. The implication of a threat in this statement should not, of course, rule out the possibility of efforts toward more friendly relations between Japan and the United States; but it is felt this point should be considered in conjunction with other factors having a bearing upon the relations between the two countries.

⁵⁴ Initialed by the Chief of the Division of Far Eastern Affairs (Hamilton).

⁵⁵ See telegram No. 904, June 30, 8 p. m., from the Ambassador in Japan, p. 989.

⁵⁶ Omission indicated in the original.

The Prime Minister was reported to have said also, although he was not directly quoted on this point, that Japan was not a partner to any German plan for world conquest. This statement does not go very far by way of disassociating Japan from Germany but might be read as implying a denial that Germany is planning world conquest.

The press report states that the Prime Minister went into a discussion in the Japanese language of the "purely defensive" background of the Three Power treaty. What the Prime Minister said on this point is not reported.

There is no indication as to whether the Prime Minister's interview has been made public in Japan. If the interview were intended only for American consumption, it would be less significant than if it were made public in Japan.⁵⁷

In the joint statement issued by Prince Konoe and Wang Ching-wei on June 23 on the occasion of Wang's recent visit to Tokyo there was reaffirmed as a basis for future relations between Japan and China the declarations made "sometime ago concerning the establishment of a new order in east Asia consisting of good neighborly and amicable relations, common defense against communism and economic cooperation." Thus it would appear that there has been no substantial change during the last four years in the Japanese Government's position in regard to China. Indeed, the issuance of this statement would seem to make it even more difficult for the Japanese Government to modify its Chinese policy in accordance with liberal principles. Furthermore, Japan's announced decision to extend the "Chinese National Government" * a loan to a maximum of yen 300,000,000, is regarded in Japan as a first concrete step in strengthening the Wang Ching-wei government.

711.94/6-3041

*Statement by the Secretary of State on June 30, 1941*⁵⁸

It may be said in the first place that there has thus far been no official confirmation of the reported statement of the Japanese Prime Minister. Naturally this Government in observing all developments in the Pacific area takes notice of all phases of information—both favorable and unfavorable—emanating from the Government of Japan at Tokyo. This applies to the statement of Prime Minister Konoe in all its different phases, especially as it relates to self-defense against aggression,

⁵⁷ See telegram No. 362, June 30, 6 p. m., to the Ambassador in Japan, p. 990.

*The Wang Ching-wei regime. [Footnote added by the Chief of the Division of Far Eastern Affairs (Hamilton).]

⁵⁸ Notation on file copy: "Statement read over the telephone by Mr. Gray to Mr. Hamilton on behalf of the Secretary, June 30, 1941"; Cecil W. Gray was Assistant to the Secretary of State.

peace, and friendly relations between our two Governments and our peoples.

The Government of the United States has consistently preached and practiced peace and friendly relations with other nations based upon the principles of law and justice and since the world-wide movement of conquest by Hitler this Government has also preached and practiced a policy of adequate preparation for national defense and the taking of every necessary step in carrying out the law of self-defense against such aggression. These three policies among others, always based upon the principles of law and justice and fair dealing, this Government continues earnestly to advocate and to pursue. It hopes that these high aims and purposes may be increasingly accepted by other nations.

894.00/1051 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 2, 1941—3 p. m.
[Received July 2—9: 50 a. m.]

920. The Fourth Imperial Conference since the beginning of the China incident was held this morning in the presence of the Emperor and attended by Konoye, Hiranuma, Matsuoka, War Minister Tojo, Navy Minister Oikawa, Finance Minister Kawada, Planning Board Chief Suzuki, following from Imperial Headquarters: Sugiyama,⁵⁹ Nagano,⁶⁰ Kondo, and President of Privy Council Hara.

The Government issued the following statement at 1:30 this afternoon:

“At the Imperial Conference held today the fundamental national policy to be taken toward the present situation was decided.”⁶¹

The following statement was issued by Matsuoka at 2 o'clock:

“A decision regarding the Government's fundamental policy was reached at the Imperial Conference today. The German-Soviet war cannot be regarded simply as an armed clash between the two countries. It is necessary for Japan to watch with the closest attention the development of conditions directly affecting this situation, the movement of individual countries and their relations, and to maintain the firmest resolution and the most careful preparation. I believe that a super emergency period is developing in the Far East which will directly affect Japan. As this situation develops the nation must maintain the coolest attitude and unity so that the Emperor's wishes may be fulfilled and our objective achieved without mistake.”

GREW

⁵⁹ Chief of Japanese Army General Staff.

⁶⁰ Chief of Japanese Navy General Staff.

⁶¹ For intercepted Japanese reports, see *Pearl Harbor Attack: Hearings* [etc.], 79th Cong., 1st sess., pursuant to S. Con. Res. 27 (1946), pt. 12, pp. 1 ff.

893.51/7279

Memorandum by Mr. Willys R. Peck, of the Division of Far Eastern Affairs

[Extract]

[WASHINGTON,] July 2, 1941.

It would obviously be rash to prophesy what course Japan will adopt. If Japan believes that she can afford to await the outcome of the German war against Russia and the German war against Britain, she will do so and then attack the weaker victim. Either attack would tend to promote a German victory, and thus run violently counter to the policies and the interests of the United States. A Japanese attempt to conquer Malaya and the Netherlands East Indies, even if it were not successful, would inevitably cut off supplies vital to the United States of rubber, tin and other commodities, while the successful occupation of the coast of Siberia would give Japan undesirable strategic advantages in respect of our outposts in the Aleutian Islands, of Alaska, and the north Pacific. In view of Hitler's present successes in Russia, it seems on the whole more probable that Japan will decide to invade Siberia than continue her southward expansion.⁶²

In these circumstances, with Japan urged to take some form of military action, prompted by fear or by greed, one fact stands out as indisputable. It is more than ever urgent that China's resistance to Japan shall be intensified, to the end that more and more of Japan's armed striking force shall be immobilized and dissipated in the "China Incident". Japan's voluntary withdrawal from China without achieving a victory would, in itself, be suicidal; from the Japanese viewpoint it would be unthinkable. "The Immutable Policy of the Throne" would become a jest.

The advantage of this situation to the United States seems clear. By encouraging China to ever greater efforts against Japan, by dragging Japan into deeper and deeper involvement in the China hostilities, the United States can work powerfully toward the achievement of some of her principal objectives, among them the maintenance of the *status quo* in the Far East, the preservation of our rubber and tin supplies, the safeguarding of the Philippine Islands, the aiding of Russia against Germany, and the aiding of Britain. Progress toward these objectives can be made without giving any provocation whatever to Japan to depart from her "neutrality". The means to accomplish this is to increase by every possible device the speed of delivery

⁶² Marginal notation on original by the Adviser on Political Relations (Hornbeck): "Contingent on German success or lack of success in Russia. S. K. H."

and the volume of the lend-lease supplies going to China. China, practically unaided, has "contained" an army of almost a million Japanese troops for four years. With the American trucks, artillery, ammunition, planes and the other equipment she has listed, China can go far toward involving so much of Japan's strength as to make the thought of a major war on another front practically impossible. The Chinese are eager to fight for their liberty; in aiding them to fight for and to gain their liberty, we shall be taking the most effective course open to us of achieving our own ends, as well as theirs. The sending of military supplies to China is a measure of the highest statesmanship.

740.0011 European War 1939/14062

*Telegram Received by Mr. Lauchlin Currie, Administrative Assistant to President Roosevelt*⁶³

CHUNGKING, July 2, 1941.

DR. LAUHLIN CURRIE: Generalissimo just received following reliable information: Japan has already decided in near future to abrogate Soviet-Japan Neutrality Pact. Afterwards she will declare war on Russia. Japan now is only hoping that in this affair America will maintain neutral attitude in which case she would take immediate action to attack Russia. Please inform President.

SEGAC^{63a}

740.0011 Pacific War/497

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] July 3, 1941.

The British Ambassador called to see me this afternoon at my request.

I stated to the Ambassador that I wished to communicate to him for the confidential information of his Government certain secret reports that this Government had received today with regard to the situation in the Far East. I informed him of the messages received from General Chiang Kai-shek as well as the other information contained covering orders issued by the Japanese Government to its missions in the United States and the action of the Japanese nationals in the United States covering the liquidation of their assets here in this country.

⁶³ Copy received in the Department probably on July 3.

^{63a} Probably the Naval Attaché for Air in China, Maj. James M. McHugh, U. S. M. C.

The Ambassador asked specifically if I had in mind any definite date upon which the Japanese Government would announce the abrogation of its neutrality pact with Russia and the subsequent participation in the hostilities against Russia. I said that I had no specific date in mind but that from one of the reports reaching us which I regarded as reliable, the announcement of the abrogation of the neutrality pact might be looked for in the near future.⁶⁴

S[UMNER] W[ELLES]

740.0011 PW/7-541

Memorandum by the Adviser on Political Relations (Hornbeck) to the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] July 5, 1941.

On the basis of excellent evidence received over the week-end, it is my opinion:

1. That Germany has expressly asked the Japanese to move in force against the Soviet Union in the Far East.
2. That the Japanese are side-stepping that request.
3. That for the present the Japanese will, so far as action is concerned, proceed with operations calculated to strengthen their military position in French Indochina (of which intention we have already had knowledge).
4. That they will hope to have their way in Indochina without actual use of (that is, merely with threat of) force.

The effects so far as Axis interests are concerned are intended to be to freeze Russian military forces and equipment in the Far East—keeping them from movement toward and use in European Russia—and to freeze British and American forces (up to some amounts) in the Pacific, and to keep Great Britain and Holland and the United States worried over Far Eastern possibilities. Nothing in this setup should prevent the Japanese, while strengthening their position in Indochina, from simultaneously intensifying their air operations against the Chinese.

711.94/2178₄

Memorandum by Mr. George W. Renchard, of the Secretary's Office, to the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] July 5, 1941.

MR. HAMILTON: The Secretary wishes you to consider the significance of the oral statement communicated through Mr. Walker to

⁶⁴ For similar conversation with the Soviet Ambassador, see memorandum of July 3, vol. I, section III under Union of Soviet Socialist Republics.

the effect that Japan would agree to get her troops out of China within two years. The oral statement may not mean anything, but on the other hand, it may be run down for the purposes of a show-down.

"When I talked with Hamilton, I suggested that he get in touch with Japanese representatives there (Washington) and inquire specifically how their Government expected to go forward with a peace settlement for the Pacific area while moving in exactly the opposite direction—the truth of the Associated Press despatch from Shanghai, reported in today's paper, should either be admitted or repudiated. In this same connection, Hamilton could thoroughly explore the oral statement of the Ambassador in regard to getting the Japanese Army out of China within two years. I hope that Hamilton will exhibit his usual firmness and also cordiality in his conversation."⁶⁵

GEORGE W. RENCHARD

711.94/7-541

*Memorandum by Mr. Joseph W. Ballantine to Mr. George W. Renchard, of the Secretary's Office*⁶⁶

[WASHINGTON,] July 5, 1941.

MR. RENCHARD: When the Secretary telephones today you may wish to inform him that on the afternoon of July 4 the Japanese Ambassador sent for Mr. Ballantine and handed him an unsealed letter addressed to the Secretary reading as follows:

"July 4, 1941.
"My dear Mr. Secretary: I am glad to inform you that I am now authorized by the Foreign Minister to assure you that there is no divergence of views in the Government regarding its fundamental policy of adjusting Japanese-American relations on a fair basis.

Yours very sincerely,

K. Nomura"

The Japanese Ambassador asked Mr. Ballantine to telephone the contents of this letter to the Secretary as soon as possible.

The letter was apparently intended as an answer to the Secretary's oral statement of June 21.⁶⁷ In the conversation which Mr. Hamilton and Mr. Ballantine had with the associates of the Japanese Ambassador on July 2⁶⁸ the Japanese repeatedly endeavored to emphasize the unanimity of the Japanese Government in its support of the

⁶⁵ See Mr. Hamilton's memorandum of July 5, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 499.

⁶⁶ Notation on file copy: "The contents of this memorandum were telephoned to the Secretary by Mr. Renchard on July 5."

⁶⁷ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 485.

⁶⁸ See memorandum of July 2, 1941, *ibid.*, p. 495.

proposed understanding and a considerable part of our effort was directed toward making clear that this was not the point brought up in the Secretary's oral statement of June 21 and that the point brought up in the oral statement was that there existed definite indications that some important elements in the Japanese Government did not favor courses of peace but rather continued and close association with Hitler in a program of world conquest.

It does not seem that the contents of the Japanese Ambassador's letter improves the situation in any respect from our point of view.

711.94/2190

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] July 5, 1941.

MR. SECRETARY: It is the opinion of Mr. Ballantine, Mr. Hornbeck and myself that the letter of July 4 copy attached⁶⁹ which the Japanese Ambassador sent you stating "that there is no divergence of views in the Government [Japanese]⁷⁰ regarding its fundamental policy of adjustment of Japanese-American relations on a fair basis" does not improve the situation in any respect from the point of view of the United States interests and desiderata. The statement in the letter does not mean, in our opinion, that the Japanese Government desires to turn from courses of aggression and intimidation to courses of peace. It simply means that the Japanese Government would be pleased to improve its relations with the United States on a basis which would facilitate Japan's efforts to improve its position in the Far East by military and other unwarranted means.

I do not believe that, in the light of the outbreak of German-Russian hostilities and of continued German victories in Europe, Japan would in good faith at this time agree to all of the following: (1) to respect fully the sovereignty and independence of China; (2) to refrain from obtaining, by military pressure or use, political, economic, and military advantages in regions to the southward; and (3) to refrain from embarking on military operations against the Soviet Union. We believe that the information we have in regard to reports of possible Japanese military movements against Siberia or possible Japanese pressure movements against French Indochina and Thailand with a view to obtaining military bases in those areas, convincingly supports the opinion expressed above.

M[AXWELL] M. H[AMILTON]

⁶⁹ Letter quoted in memorandum *supra*; see also *Foreign Relations, Japan, 1931-1941*, vol. II, p. 499.

⁷⁰ Brackets appear in the original.

711.94/2178½

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)*

[WASHINGTON,] July 7, 1941.

On June 30 the Secretary telephoned from White Sulphur Springs and said that his attention had been called to statements attributed to the Japanese Premier as reported in an article appearing in the June 30 issue of the *New York Times*. The Secretary suggested that we might care to consider the question of the advisability of Mr. Welles, in reply to questions at his press conference, stating that after conference with the Secretary he wished to make, in regard to the statements attributed to the Japanese Premier, observations as follows (The Secretary then asked Mr. Gray ⁷¹ to read the following statement which was taken down by a stenographer in FE) :

“It may be said in the first place that there has thus far been no official confirmation of the reported statement of the Japanese Prime Minister. Naturally this Government in observing all developments in the Pacific area takes notice of all phases of information—both favorable and unfavorable—emanating from the Government of Japan at Tokyo. This applies to the statement of Prime Minister Konoe in all its different phases, especially as it relates to self-defense against aggression, peace, and friendly relations between our two Governments and our peoples.

“The Government of the United States has consistently preached and practiced peace and friendly relations with other nations based upon the principles of law and justice and since the world-wide movement of conquest by Hitler this Government has also preached and practiced a policy of adequate preparation for national defense and the taking of every necessary step in carrying out the law of self-defense against such aggression. These three policies among others, always based upon the principles of law and justice and fair dealing, this Government continues earnestly to advocate and to pursue. It hopes that these high aims and purposes may be increasingly accepted by other nations.”

Mr. Hamilton then discussed with the Secretary over the telephone several points relating to the remarks attributed to the Japanese Premier, including the question whether the reported interview had been given publicity in Japan. It was agreed that we would study the matter further and that we would send a telegram to Mr. Grew ⁷² asking him whether the reported interview had been given publicity in Japan and whether the statements attributed to the Japanese Premier had, in Mr. Grew's opinion, any special significance. It was also

⁷¹ Cecil W. Gray, Assistant to the Secretary of State.

⁷² No. 362, June 30, 6 p. m., p. 990.

agreed that the question of Mr. Welles making remarks at a press conference along lines suggested by the Secretary might advisedly await the receipt of a report from Mr. Grew.

740.0011 European War 1930/12771 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 7, 1941—8 p. m.

2454. Your 2843, July 4, 10 p. m.⁷³ I suggest that you might tell the Russian Ambassador that in Washington we endeavor to bring to the attention of the Soviet Ambassador such reports with regard to the international situation as we appropriately and helpfully can; that we assume that the British Government follows a similar practice in its relations with the Soviet Ambassador in London; and that your own information which reaches you either from Washington or from the Government to which you are accredited is presumably not as complete as that communicated directly to the Soviet Ambassador here by the American Government or to the Soviet Ambassador there by the British Government. You might add that the gist of your information is that according to some reports the Japanese Government has decided to move militarily against Siberia; that according to other reports the Japanese Government has decided to move southwards but not to the extent of a major military undertaking; and that according to still other reports the Japanese Government is preparing for all possible contingencies but has not yet made up its mind whether or in what direction to make a new military move. You will, of course, wish to indicate a desire to be helpful in the way of exchanging information.

WELLES

894.20211 Tachibana, Itaru/25 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, July 7, 1941—10 p. m.

377. Your 901, June 30, 1 a. m.⁷³ (your 900, June 30, 11 a. m.⁷⁴ has not been received), American missionaries in Korea, and Department's 345, June 20, 9 p. m.,⁷³ Tachibana case.

On June 26 the Department informed the Japanese Embassy that the authorities of this Government immediately concerned had brought

⁷³ Not printed.

⁷⁴ Not found in Department files.

to the Department's attention the fact that there was substantial evidence that two other naval officers, Lieutenant Commander Sadatomo Okada and Engineer Lieutenant Wataru Yamada, were engaged in espionage activities; that these two cases were associated with that of Tachibana; and that in view of the special representations which the Japanese Ambassador had made in the case of Tachibana, it had been decided to handle these two cases also as expeditiously and as quietly as possible. Accordingly, we requested that the Japanese Ambassador arrange to have Okada and Yamada leave the United States as soon as possible with the promise that they would never return. Further conversations with the Embassy have taken place and as a result Okada and Yamada were scheduled to leave this country on July 5.

In the conversations just mentioned we again took up the cases of Matsuo and of the missionaries under arrest in Korea, pointing out that the extraordinarily liberal treatment accorded in the very serious cases of Okada and Yamada constituted additional reason for anticipating that the Japanese would wish to respond in like friendly and prompt manner in the Matsuo and missionaries cases.

On June 30 and again on July 2 the Japanese Embassy informed us that although Mr. Matsuoka had telegraphed the Governor General of Taiwan bespeaking as liberal treatment as possible for Matsuo, the Governor General had not yet made any reply. With regard to the missionaries, the Embassy on July 2 said that it had received word that the Japanese Government had decided not to conduct any further judicial proceedings against them provided they would agree to leave Japan, and inquired whether we could take up with the home board the question of its ordering them home. Stating that we could give no assurance on this point at this time, we asked which missionaries the Japanese Government had in mind. The Embassy replied that its instructions were not clear but that it thought there were involved two or three missionaries who had already been tried and convicted and whose cases were under appeal and a number of others charged with various categories of offenses. We stated that our record showed that two of the missionaries had been sentenced and had appealed their cases and that some 14 (actually 19) others were under examination or suspicion. We then went on to say that it would be one thing for the Japanese Government to manifest a spirit of reciprocal good will by permitting the two convicted missionaries to leave Japan and quite another thing should the Japanese Government utilize the present situation to bring about a more or less wholesale deportation of American citizens from Japan. We then remarked that it would be helpful to us if the Japanese Embassy would furnish us with the names, numbers and offense categories of the

missionaries involved. The Embassy said that in the light of our comments it would telegraph the Foreign Office for further information.

WELLES

711.94/2178₁₇

Memorandum by Mr. Joseph W. Ballantine

[WASHINGTON,] July 8, 1941.

With reference to the despatch from the *New York Times* Tokyo correspondent published in the *New York Times* of July 8 in regard to the formation of the "Great Japan-East Asia Construction League" (clipping attached),⁷⁵ it is premature to form an estimate of the significance of this development. Organizations formed under apparently similar circumstances in the past have generally been of an ephemeral character and have failed to achieve substantial results.

It may be noted that according to the press despatch all present at the inaugural meeting of the new league took an oath to "eliminate the root of evil in Greater East Asia, namely, white and in particular Anglo-American 'encroachments on the lands and livelihood of the East Asiatic countries' and to 'reconstruct an East Asia co-prosperity sphere'". It would be difficult to eradicate the deep-seated feeling among Japanese that white nations, especially the Anglo-Saxon powers, are exploiting Asiatic peoples to their own advantage. Japanese grievances on this score might be substantially reduced if Japanese were permitted to share in greater degree economic and commercial opportunities in the Asiatic dependencies of white powers. The Japanese concept of a co-prosperity sphere has been associated with an autocratic economic bloc, but it is believed that the business group in Japan is already convinced in the main of the fallacies underlying such ideas.

On the other hand, in Prince Konoe's inaugural address as President of the League there was a conspicuous absence of bellicose and threatening utterances such as have characterized past statements on similar occasions and emphasis was placed upon a purpose to promote the welfare of mankind and harmonious cooperation among all nations. So far as Prince Konoe and his group are concerned the intention may be to make a sincere effort to guide public opinion along sounder and more constructive lines. At the same time it should be mentioned that Japan's ideas of harmonious cooperation so far as relations with weaker powers in Asia are concerned have so far in practice been one-sided.

⁷⁵ Not reprinted.

Whether the League will actually be able to contribute toward diverting Japan from its present courses will depend upon future developments; that is to say, upon what the United States does or fails to do; upon what Germany does or fails to do; and upon the general turn of events.

894.20211 Tachibana, Itaru/23 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТоКГО, July 8, 1941—9 p. m.
[Received July 8—8:15 p. m.]

959. Department's 351, June 26, 4 p. m.⁷⁶ Tachibana case.

1. I discussed directly with the Minister for Foreign Affairs today the points contained in the Department's 345, June 20, 9 p. m.⁷⁶ with special reference to the Matsuo case and I repeated the most emphatic representations on the subject of Matsuo's situation and the background of his present position, urging strongly that the Minister, whose efforts have hitherto yielded no results, should get at the bottom of the matter and ascertain why and where his promised efforts to obtain a pardon for Matsuo were being impeded. He promised me that he would renew his efforts.

2. With regard to missionaries in Chosen, I showed the Minister the original Japanese text of the "proposed pledge to be signed by American missionaries in connection with prayer circular" received from the Consulate General in Keijo with his despatch of July 1.⁷⁶ The Minister acknowledged the childish and futile nature of the pledge and asked me to give [him?] the original text which he said he would send immediately to the Governor General, General Minami. The Minister gave every indication of annoyance at the nature of the pledge.

Paragraph 1 repeated to Taihoku, paragraph 2 repeated to Keijo.

GREW

740.0011 European War 1939/12941 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТоКГО, July 9, 1941—2 p. m.
[Received July 9—9:38 a. m.]

966. For the Acting Secretary only. Supplementing my No. 953, July 8, 4 p. m.⁷⁷

⁷⁶ Not printed.

⁷⁷ *Post*, p. 1002.

1. If as appears likely the Foreign Minister's reference to the despatch of American war materials to Vladivostok as one of the "future developments" which might cause Japan to alter its policy toward the Soviet-German war is the result of German pressure, it affords further confirmation that the main objective of German policy in regard to Japan is to seek in every manner to produce friction between the United States and Japan and to prevent any *rapprochement* between the two countries. It is hardly likely that the German Government is seriously concerned as to the practical effect of American supplies via Vladivostok on the outcome of the Soviet-German war in view of the length of time it would take for such supplies to reach the front and the limited transportation facilities available. On the other hand, in view of our announced policy of extending aid to the Soviet Union,⁷⁹ a Japanese decision to prevent the delivery of American supplies to Vladivostok would in German eyes offer a real opportunity of embroiling Japan with the United States.

2. The Japanese for their part may be expected to be hospitable to any suggestion designed to safeguard Japanese supremacy in Asiatic waters and the application to the Far East of the safety zone principle adopted in regard to the Americas at the outbreak of the war with a view to preventing in the vicinity of Japan any operations on the part of German raiders against supplies destined for the Soviet Union.

GREW

711.94/2178.†

*Captain Roscoe E. Schuirmann, of the Office of Naval Operations,
to the Under Secretary of State (Welles)*

WASHINGTON, July 9, 1941.

On July 3 the following was sent to the Naval Attaché London:

The unmistakable deduction from information from numerous sources is that the Japanese Government has determined upon its future policy which is supported by all principal Japanese political and military groups. This policy probably involves war in the near future. An advance against the British and Dutch cannot be entirely ruled out, however the Chief of Naval Operations holds the opinion that Jap activity in the south will be for the present confined to seizure and development of naval, army and air bases in Indo China. The neutrality pact with Russia will be abrogated and major military effort will be against their maritime provinces which will probably be toward the end of July though attack may be deferred until after collapse of European Russia. They have ordered all Jap vessels in U. S. Atlantic ports to be west of Panama Canal by 1 August. Movement of Jap flag shipping from Japan has been suspended and addi-

⁷⁹ See memorandum of June 26 by the Acting Secretary of State, vol. 1, section III under Union of Soviet Socialist Republics.

tional merchant vessels are being requisitioned. Using utmost secrecy, inform principal army commanders and your own immediate subordinates also British chiefs of staff and Ambassador.

In response the following was received July 6, 1941:

I have communicated your message to the chiefs of staff, who thank you for it and reply that their information is very similar. Jap policy to them, is accepted by all the principal Jap military and political groups and appears to be:

- (a) to seize in Indo China, naval and air bases for which shipping and military forces are held ready;
- (b) for the expansion southward, to take advantage of any opportunity that arises;
- (c) for the present, to take no military action against the Soviet.

Japan military dispositions support this view and this policy would not necessitate the abrogation of the pact of neutrality with the Soviet, at any rate not for the present. Should circumstances arise which tempted her eventually to attack the Soviet, Japan might however find an occasion to do so.

R. E. SCHUIRMANN
By Direction

124.946/131 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 10, 1941—10 p. m.
[Received July 10—7:35 a. m.]

970. For the Acting Secretary. My British colleague last evening showed me a long telegram marked "most secret" from the British Ambassador in Washington reporting in detail what purported to be his important and enlightening conversations with you on July 3, and also an equally important and enlightening conversation between the British Naval Attaché and the Director of Naval Intelligence in Washington the same date. I feel very strongly that the information revealed in those conversations should properly have been brought promptly to my attention.

Please remember that in Japan we are generally groping in the dark, and that now, more than ever, it is exceedingly difficult to ascertain what is going on behind the scenes, especially since few of our former Japanese contacts dare come to the Embassy or meet us elsewhere. Many have been warned by the police to avoid us. One of my principal duties is to appraise situations and developments in Japan, yet at the same time I am deprived of intelligence or clues available in Washington pertinent to issues which I am asked to deal with or to estimate here. It should be remembered that in rapidly

developing situations, information forwarded by pouch mail seldom arrives in time to be of a more than academic value. Much of your conversations are sooner or later reported to me by my British colleague here but it seems to me to be distinctly *infra dignitatem* to have to depend on that source in order to learn the information and expressed views of my own government. In many previous communications to the Department and in oral discussion with you two years ago in Washington I have indicated this important consideration but without revealing my increasing discouragement at being deprived of the prompt confidences of the Secretary and yourself. When last in Washington I was given to understand that this deprivation was largely if not entirely due to inadequate Departmental machinery rather than to formulated policy. If the former consideration is responsible, I most earnestly recommend that steps be taken to rectify this unfortunate situation. If the latter consideration is responsible, I trust that you will be good enough to discuss this telegram with the President in order that he may fully understand the very great handicap and discouragement under which I, as his Ambassador, am working. A motor cannot function effectively unless it is hitting on all cylinders.

GREW

740.0011 P. W./386

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] July 10, 1941.

The British Ambassador called to see me this evening at my request.

I informed Lord Halifax of the contents of the three telegrams received today from Ambassador Grew in Tokyo⁸⁰ informing this Government of the replies made by the Japanese Government to the message sent a few days previously in the name of the Secretary of State at the request of the President.⁸¹ I further informed Lord Halifax of the reply which I had made today through Ambassador Grew⁸² to the inquiry contained in the message sent by the Japanese Government to this Government.

I then informed Lord Halifax of the contents of the messages received by this Government today from Chungking⁸³ which indicated that the Japanese Government had on July 6 entered into a secret agreement with Germany and Italy providing for a recognition of the

⁸⁰ See telegram No. 953, July 8, 4 p. m., p. 1002; No. 954, July 8, 5 p. m., and No. 955, July 8, 6 p. m., not printed, but see *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 503-504.

⁸¹ Delivered on July 6, *ibid.*, p. 502.

⁸² Telegram No. 384, July 10, 5 p. m., p. 1004.

⁸³ See text of Generalissimo Chiang's message, p. 1004, and Department's telegram No. 386, July 11, 11 a. m., to the Ambassador in Japan, p. 1005.

Japanese claimed sphere of interest in the Far East and in return therefor an agreement on the part of Japan to move southward and either simultaneously or subsequently to attack Siberia. I further informed Lord Halifax of information which I had received within the past twenty-four hours indicating that the Japanese Government was urgently instructing its representatives in the Western Hemisphere to make all preparations for an extreme crisis as well as the fact that Japanese agents in Central America were actively engaged in the attempt to foment revolutionary or local disturbances. Finally I informed Lord Halifax of the steps which would be announced tomorrow with regard to the closing of the Panama Canal for repairs, making it clear to him that the steps so taken would not interfere with the passage through the Canal of ships required in the British defense effort.

Lord Halifax then commenced to speculate upon possible developments in the Far East. He inquired what the Government of the United States would do in the event that Japan occupied Indochina entirely. I stated that the President had authorized me to say that in the event that Japan now took any overt step through force or through the exercise of pressure to conquer or to acquire alien territories in the Far East, the Government of the United States would immediately impose various embargoes, both economic and financial, which measures had been under consideration for some time past and which had been held in abeyance for reasons which were well-known to the Ambassador.⁸⁴ The Ambassador then inquired what this Government would do in the event that Japan attacked Siberia. I said that my reply to his previous inquiry obviously answered the second inquiry which he had just made. The Ambassador then asked what the United States Government would do in the event that material being sent from the United States to Russian Pacific ports to assist the Russians in their present campaign was on the way across the Pacific in American flagships and the Japanese then announced that they were blockading the Russian ports in the Pacific and would not permit our ships to pass. I answered that this seemed to me in the nature of a completely hypothetical question and that the attitude of this Government in such event would necessarily depend upon a great many attendant circumstances. I said that a blockade of Siberian ports by Japan could only be regarded as legal under international law in the event that a state of war existed between Japan and Russia and that such a blockade had been declared a concomitant part of such state of war. If a state of war between Japan and Russia existed, I said I had already indicated to the Ambassador what the first step which this Government would take would be. I said that I was not

⁸⁴ See also memorandum by the Acting Secretary of State, July 14, p. 826.

prepared to speculate as to what our second or third steps might be. Those could only be determined in the light of what we considered the best interests of the United States might be in such event. I said it was obvious that if a legitimate blockade of Siberian ports had been declared by Japan at a time when our merchant ships were on the way across the Pacific to those ports, the only way in which we could force entrance into Siberian ports for those ships would be through the utilization of our fleet and that obviously would mean war between Japan and the United States. I said that while it was my desire to be as helpful to the Ambassador as I could, I did not feel that there was anything to be gained by discussing what might or might not be done in the light of future events when neither one of us could tell what the attendant circumstances might be. Furthermore, I said, it was by no means impossible that supplies to Russia might be sent from the United States by air via Alaska, and I further reminded the Ambassador that the Russian Government itself had a good many merchant ships now in the Pacific ports of the United States which undoubtedly would be used by the Russians for the transportation of defense matériel obtained in the United States and which would certainly be sufficient to take care of the first installment of such supplies.

The Ambassador said that he did not mean to be understood as pressing for answers to the hypothetical questions he had raised inasmuch as he had been in reality thinking aloud with regard to future developments. He said that it was quite clear that neither Great Britain nor the United States wished to enter into war with Japan if that could possibly be avoided, provided the legitimate rights and interests of both Governments were respected and maintained. He said, however, that the situation vis-à-vis Japan seemed to be deteriorating rapidly and he assumed that the time had come when different courses of action might have to be determined upon. I said that this was of course quite true but that this Government was not prepared for the time being to reply flat-footedly with regard to more than the first step which I had already indicated to him.

The Ambassador then undertook a historical survey of relations between Japan and Great Britain and the United States since the year 1931. He said he felt that the divergence in the course pursued by the United States and by Great Britain in 1931 was due more to misunderstanding than to any fundamental developments of principle. He said that he had been in the Cabinet in 1931 at the time that Sir John Simon was Foreign Secretary and remembered very vividly the discussions that had gone on in the Cabinet at that time with regard to the Far Eastern situation and the differences of views which had arisen between England and the United States. He said he supposed that in essence the problem had been that Great Britain was unwilling

to pursue a policy vis-à-vis Japan which it believed would result in war at that time, unless it was assured that, should war break out, the United States would likewise participate in the war against Japan. He said he supposed that the point of view of the United States in 1931 had been that it was not prepared to take action by itself which might lead to war, unless it was assured that Great Britain would participate in the war on the side of the United States. I said that, as the Ambassador well knew, I was not in the Government at that time but that, as an outsider at that moment and having thought a good deal about the incidents to which he referred and the policies of which he was reminding me, I had always felt very strongly that had Great Britain and the United States at that time jointly adopted a policy towards Japan which made it clear to Japan that neither Government would consent to a continuation of the course upon which Japan had embarked, not only would there have been no war, but the whole tragic course of events involving not only the Far East but also the rest of the world might well have been averted.

Lord Halifax then said that he supposed one of the great troubles with democracies was the fact that the leaders of the democracies could not comprehend that the dictators and the gangsters in general did not in reality feel and react in the same way as the leaders in democratic countries. I remarked that I doubted that this was an inherent defect of democracies; that it seemed to me an inherent defect in certain races and peoples. I stated that I had long since reached the conclusion that certain people had for many generations been operating under the unfortunate delusion that all other peoples in the world felt and reacted the way they themselves did. I was not sure, I said, that this defect in the psychology of certain peoples had not also been responsible for some of the evils from which we were now suffering.

S[UMNER] W[ELLES]

711.94/2178,†

Letter to the Postmaster General (Walker) ⁸⁵

MR. WALKER: The suggestions made by our State Department re: troops, defense and economics have been incorporated in the understanding, as follows:

1. (a) Under clause 2 of the China Terms no request is made for stationing troops.
- (b) Withdrawal of troops is limited by a two-year period.

⁸⁵ This letter apparently prepared by Father Drought. Notation on file copy: "Document forwarded to the Secretary of State's office on July 11, 1941 from the Assistant to the Postmaster General who had telephoned earlier in the day that he was sending it." Revised Japanese documents not printed, but see memorandum on changes, p. 311.

2. "Defense" is covered in an accompanying letter.
3. The principle of non-discrimination in economics is accepted without modification.

From the Japanese side, three other textual changes are suggested: (confer document).

Other points raised in the oral statement of the Secretary of State⁸⁶ are responded to in an oral memorandum.⁸⁷

If the Secretary of State could indicate to yourself that this document in its present form will now be acceptable to him, you could manage then to get the consent of the Japanese Ambassador (and the war in China would stop!)

The Japanese Ambassador must forward to his Government every item of correspondence, oral statements, etc., made by our State Department or submitted by himself. His own position is weakened when he obtains approval for successive changes which, later, are rejected by our State Department. If agreement on a text is now reached, with yourself continuing as intermediary, further misunderstanding will be avoided and Admiral Nomura will not repeatedly lose face.

894.20211 Tachibana, Itaru/29 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 11, 1941—4 p. m.
[Received July 13—9:03 a. m.]

984. Department's 377, July 7, 10 p. m., missionaries in Korea. An official of the Foreign Office informed a member of my staff today that if any of the missionaries declined to leave Korea when the offer is made judicial proceedings would continue and judgment made according to law; that if any were then sentenced the Korean judiciary could hardly be expected to entertain appeals for clemency once having offered to permit them to leave the country.

Sent to the Department via Shanghai.

GREW

124.946/131 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, July 11, 1941—10 p. m.

388. Your 970, July 10, 10 p. m. I have given personal attention to your telegram under reference and I assure you that I appreciate

⁸⁶June 21, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 485.

⁸⁷Latter not printed.

and sympathize with the point of view you express. The problem you raise is one of the most difficult with which the Government is confronted from point of view of effective organization and coordination of activities. There is certainly no desire to deny to you prompt access to information of the most confidential character which may be available to us here. At the same time other highly important considerations on occasion operate to cause us not to send to anyone by cable or by radio certain types of information which we may have. In existing circumstances in the world today we are convinced that it is not safe to entrust to the cable or to the radio information which it would be definitely against the interests of the United States to have reach certain foreign governments. At times certain highly confidential information forms the basis of decisions which are to be carried out at some future date and it is essential from point of view of the interests of the United States that every precaution be taken to insure that the information in question as well as the decision to be carried out should not become known to certain foreign governments. In some instances the source of information is so highly confidential that under no circumstances would we feel at liberty, for fear of compromising the source, to entrust that information to cable or radio communication. It is of course obvious that the greater distribution there is of confidential information the greater the likelihood that the information may through some means or other fall into undesired hands.

With regard to my conversation on July 3 with the British Ambassador, you were informed in my telegram no. 372, July 4, 3 p. m.,⁸⁸ of the general purport of the reports reaching this Government. No source was disclosed and no particularization of the detailed reports was given to you by us. In thinking the matter over in retrospect, we might well have informed you that we had new reports that Japanese nationals in the United States were taking new steps to liquidate their assets in this country. This development in itself was not regarded as of special significance, in as much as Japanese nationals in the United States had been taking such steps from time to time over a period of a good many months. Other reports which we took into account in formulating our telegram no. 372, July 4, 3 p. m., to you were to the effect that the Japanese were recalling some of their vessels from United States ports. Reference to reports on this aspect of the situation was contained in Radio Bulletin No. 157 of July 3.

If the British Ambassador in reporting to his Government, and in repeating his reports to his colleague at Tokyo, is revealing sources of information or communicating details and types of information transmission of which by cable or by radio creates in our considered judgment great danger that such information may fall into the hands

⁸⁸ *Post*, p. 994.

of the aggressor governments and operate to the definite disadvantage of the interests of the United States, there is presented the question whether we should restrict the nature of information which we have been communicating to the British Ambassador here or whether we should repeat to the Ambassador requests previously made that he not forward certain types of particularized information by radio or by cable.

We realize the importance of your having promptly significant information having relationship to the very difficult mission with which you are charged and which you are discharging with such credit, distinction and devotion to duty and to the interests of your country. We have been making special effort to that end. You will realize of course that in so doing we shall necessarily have to keep in mind and be guided by the considerations which I have set forth in this telegram.

WELLES

740.0011 P. W./517

*Representative John M. Vorys, of Ohio, to President Roosevelt*⁸⁹

WASHINGTON, July 11, 1941.

MY DEAR MR. PRESIDENT: I have learned of possibilities for successful mediation of the Chino-Japanese incident, which I believe should have the immediate attention of those who are charged with the conduct of our foreign relations.

Dr. E. Stanley Jones, our most famous Methodist missionary, stopped in my office this week and told me of conversations he had had with very high Chinese and Japanese officials as to a possible basis for peace. The conversations were, of course, informal and unofficial, but they showed an astoundingly wide area of agreement, in contrast with the popular conception of a hopelessly confused and deteriorating situation. Dr. Jones said he had gone as far as he could at this time and wondered how these possibilities could be called to the attention of the proper government officials, without publicity, but in a manner that would assure careful consideration. He was leaving the city immediately and asked me to undertake this. I asked him to prepare a memorandum of his conversations, which I submit to you herewith. I have talked over the telephone about this with Mr. Acheson of the Department of State and am submitting a copy of this memorandum to him for consideration by Mr. Hamilton of the Division of Far Eastern Affairs.

I am not submitting this memorandum to anyone else at this time.

⁸⁹ Transmitted on July 14 to the Assistant Secretary of State (Acheson) with notation: "To do the necessary. F[ranklin] D. R[oosevelt]."

I taught school in China, served in the Secretariat of the Conference on Pacific and Far Eastern Affairs in Washington in 1921-22 and have, therefore, had an interest in the Far Eastern situation for many years. In a sense, it can be said that World War II had its origin in the Orient in 1931. Conversely, if a peaceful and satisfactory adjustment of the Far Eastern situation could now be worked out, this would go far toward stabilizing the situation around the world.

Dr. Jones is on his way to the World Sunday School Convention in Mexico City and will be at Occidental College, Los Angeles, from July 18 to July 30, in case it might be desirable to contact him directly in the near future.

I am at your service in this matter, if there is any way in which I may help. I am always ready to serve you in your labors for peace.⁹⁰

Respectfully,

JOHN M. VORYS

[Enclosure]

Memorandum by Dr. E. Stanley Jones

MEMORANDUM OF CONVERSATIONS REGARDING POSSIBLE PEACE BETWEEN
JAPAN AND CHINA

In informal conversations between Dr. Miao, Secretary of the National Christian Council of China, and Dr. Kagawa, well-known author of Japan, regarding a possible basis for peace between China and Japan, I found the following:

1. They both agree that the time is ripe for a consideration of a possible peace if a basis could be found. They were both speaking individually, of course, and were not representing in any way anyone officially. But each thought that he was expressing the opinions of a large number in each country and possibly on some points the official attitude.

2. Dr. Kagawa said that he thought Japan was prepared to make peace on the basis of four points:

- a. The recognition of Manchukuo.
- b. The suppression of Communism in China.

⁹⁰ Notation by the Assistant Secretary of State, attached to the original, reads: "Reply sent 7/23/41 stating that various points in Dr. Jones' memo have been brought to Dep[artmen]t's attention from time to time. That Dept. takes into consideration also fundamental national policies, etc. That contents of agreement with Wang Ching-wei [signed at Nanking, November 30, 1940, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 117] afford concrete indication of nature of settlement Japan has in mind. That Government has made efforts to persuade Japan that its real interests lie in adopting policies in line with thought and procedures in which this country believes. States if Mr. Vorys still wishes to discuss the subject with an officer of the Department, will be delighted to have him do so. If Dr. Jones is in Washington, Department would welcome opportunity to talk with him." For memorandum of conversation, by the Chief of the Division of Far Eastern Affairs, September 17, see p. 455.

- c.* The elimination of anti-Japanese agitation in China.
- d.* The recognition of the territorial and political integrity of China by Japan.

He suggested that there might be other points raised by some, such as (*a*) a creation of a joint defense system in Mongolia against Russian Communism, (*b*) the port of Shanghai under Japanese control, (*c*) a concession between Hongkong and Indo-China for immigration. But these were subsidiary—the four points above were the main bases of peace from the Japanese viewpoint.

Dr. Miao said that if the intention of the peace between China and Japan is that Japan's hands may be freed to carry out aggressive intentions elsewhere, then the peace would not be a real peace. China wants real peace. He said that if China could get two things nailed down she would be prepared to negotiate the rest:

- a.* The territorial and political integrity and sovereignty of China.
- b.* The recognition of Chiang Kai Shek as the head of China.

If these two things were agreed upon China would feel that there is a basis on which peace could be considered, not that she recognizes that the other points raised are necessarily legitimate, but they might be made subjects for negotiation. Dr. Miao suggested, for instance, that some agreement might be worked out for joint control of Manchuria.

It will be noted that there is one area of agreement between the two suggestions, namely the territorial and political integrity of China. This is important for this area of agreement is not a marginal matter, it is central.

As to the recognition of Chiang Kai Shek, Dr. Kagawa thought it might be brought about in time, but Japan's face would have to be saved in the matter, for Wang Ching Wei had been recognized. He thought it might be possible to solve the matter if Wang Ching Wei should agree to give away to Chiang Kai Shek for the sake of peace and the unifying of China. Dr. Miao thought that Wang Ching Wei would have to give way entirely and that there could be no place for him in the government after what he had done. Dr. Kagawa said that the recognition of Chiang Kai Shek is not impossible as many Japanese considered him as a great man. Both agreed that peace could be scarcely hoped for if Chiang Kai Shek were left out for he represents China in a way that no one else does.

It was suggested by Dr. Kagawa that if I want to get the official viewpoint it might be well for me to see the Japanese Ambassador. Accordingly, I endeavored to see both the Japanese Ambassador and the Chinese Ambassador during a short visit to Washington. The Chinese Ambassador was absent speaking at the University of Michigan and the Japanese Ambassador was tied up with engagements and

could not give me the time during the period at my disposal. But the Japanese Minister invited me to see him instead. Apparently the Japanese Minister is the diplomatic advisor to the Ambassador.

I made it plain to the Minister that I did not represent anything official, that I was only there in the capacity of one who desired to see these two nations come together on a just basis, and that it was also clear that the opinions I was interpreting from Dr. Miao and Dr. Kagawa were entirely unofficial and were elicited by my own initiative. In other words, they did not raise the matter with me—I raised it with them. I also suggested that I knew the Minister's situation as a diplomatic official and that he need not give anything on the matters raised, but that I would put the matter before him and he could comment on it or not, and I would understand. After I had placed the conversations I had had before him, he replied he would comment on the matter, but in an unofficial capacity.

He said that Dr. Kagawa left out one important point, namely, the economic cooperation of Japan and China. When I asked if the economic cooperation meant the political dominance of the country by economic control, as many Chinese and others thought it would, he replied that it need not necessarily mean this. He further stated that although the territorial and political integrity of China was not specifically stated in the government statements regarding a basis of peace, it was implied in the other three points, because these points inferred a sovereign and independent China. He also added that the government of Japan had stated that there would be no indemnities and no territory demanded of China. This, too, he said implied the political and territorial integrity of China.

He suggested that Japan would desire a joint defense in Mongolia and North China against possible Russian aggression in these sections. When I pointed out that in the minds of the Chinese this planting of Japanese soldiers in North China and Mongolia would cancel the point about the territorial and political integrity of China he replied that on the face of it it would and that the demand might seem to be harsh, but in international law a nation might still be sovereign if she requested another nation to help her in the joint defense of territory.

In regard to the recognition of Chiang Kai Shek as the head of China, he stated that the Japanese government recognized Wang Ching Wei because he was willing to accept Japan's basis of cooperation and that if Chiang Kai Shek would be willing to do so then Japan would not mind who it was at the head of the government.

It seems to me that this left open the possibility of Japan's recognition of Chiang Kai Shek if a new basis could be worked out which the latter could accept.

At the close of my talk one thing seemed to be intact in both viewpoints, namely, the territorial and political integrity of China. Of

course, there was the possibility of this being threatened by the proposal of joint action in North China and Mongolia. But on the whole it remained. There was also the possibility of the recognition of Chiang Kai Shek under certain conditions—conditions held by both sides. It was not ruled out.

When I came to the point of the possible mediation of the United States to bring peace in the Far East, I again urged on the Minister that he need not answer if he did not see fit. He replied that he would comment not as giving an official but a personal view, that if my suggestion meant that America was to interfere in the Far East and try to impose her own terms, then the reply is, No. But if she should offer her good offices to help China and Japan to settle their own differences, then, Yes.

When I asked if I might express the substance of our conversation to any one of my friends who might be in a position to pass it on to those who would be in a position to do something, he replied that I might, provided it was understood that all of these opinions were simply explorative and were personal and private and not official. He added that the world must have peace and that America is in a position to help toward peace. When I suggested if America offered her good offices to help bring peace between China and Japan it might mean that she would thereby be led to straighten out her own differences with Japan, he agreed.

It seems therefore that the situation may be ripe for America to mediate between China and Japan. It appears to be the one possible door to peace in the world situation. If it begins there, it may spread.

E. STANLEY JONES

NEW YORK CITY

740.0011 European War 1939/14172

Memorandum of Conversation, by the First Secretary of Embassy in China (Vincent) ⁹¹

[CHUNGKING, July 11, 1941.]

Mr. Gauss called by appointment on Dr. Quo ⁹² at 9 a. m. to make inquiry regarding the reported intention of China to establish a tobacco monopoly. Following discussion of that matter the conversation turned to the international situation. Dr. Quo made certain interesting observations which are summarized below:

Dr. Quo, in common with most the Chinese officials in Chungking, expected that Japan would launch an attack upon Siberia. He

⁹¹ Copy transmitted to the Department by the Ambassador in China in covering despatch No. 63, July 11; received August 20.

⁹² Quo Tai-chi, Chinese Minister for Foreign Affairs.

thought that the recent Imperial Conference has reached a decision to that effect. He understood that, when Matsuoka was in Berlin in April, he had been informed that Germany did not want Japan to attack in Siberia in the event of a German-Russian war; rather, Germany desired that Japan carry out its southward advance. However, he felt that matters were not going as well as expected for Germany in Russia and that Germany now desired a Japanese attack in Siberia. He interpreted German recognition of the Nanking regime as an inducement to Japan to move into Siberia. He said that the recent appointment of a new Governor General in Korea was one indication suggesting probable Japanese action against Russia in Siberia.

Dr. Quo remarked that the Japanese Government seemed to be in a dilemma; that it was in the position of wanting more and of having promised more than it could with any assurance of success obtain; that it was in the unwelcome situation of having its hand forced, by the march of events and its own pretensions, to action rather than, as had been hopefully expected, of being able to move of its own volition as a free agent choosing its own time and place to act. He observed that not only had Japan set up puppet governments in China since 1931 but that it had also had puppet governments in Japan since that date. He believed however that governments as a facade for actual control and direction of affairs by the military services was causing some embarrassment and confusion; that the system of dispersed and undisclosed responsibility was not working smoothly in the present urgent situation.

711.94/2178.4

Memorandum Prepared in the Division of Far Eastern Affairs

CHANGES IN THE NEW JAPANESE DRAFT (JULY 11)⁹³ AS COMPARED WITH
OUR DRAFT OF JUNE 21⁹⁴

The new Japanese draft is identical in substance with our draft of June 21 except for the incorporation of the changes noted below:

Preamble.

First paragraph, line 2, insert before *accept* "as equally sovereign States and contiguous Pacific powers".

II. *The attitudes of both Governments toward the European war.*

In our draft of June 21 a note appended to this section referred in clarification of its subject matter to the Secretary's statement of June

⁹³ Not printed, but see letter to the Postmaster General, forwarded to the Department on July 11, p. 303.

⁹⁴ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 486.

21 and to a suggested draft exchange of letters which was attached to our draft. While the wording of the substantive part of this section has not been changed, the draft exchange of letters in the annex has been fundamentally altered.

III. *Attitude toward a peaceful settlement between China and Japan.*

This section has been changed as indicated below :

OUR JUNE 21 DRAFT

The Japanese Government having communicated to the Government of the United States the general terms within the framework of which the Japanese Government will propose the negotiation of a peaceful settlement with the Chinese Government, which terms are declared by the Japanese Government to be in harmony with the Konoe principles regarding neighborly friendship and mutual respect of sovereignty and territories and with the practical application of those principles, the President of the United States will suggest to the Government of China that the Government of China and the Government of Japan enter into a negotiation on a basis mutually advantageous and acceptable for a termination of hostilities and resumption of peaceful relations.

NEW JAPANESE DRAFT OF JULY 11

The Government of Japan having declared that the general terms, within the framework of which the Government of Japan will propose the negotiation of a peaceful settlement of the China Affair, are implied* in the Konoe principles and in the practical application of those principles, the President of the United States, relying upon the policy of the Government of Japan to establish a relation of neighborly friendship with China, will suggest to the Government at Chungking that it enter with the Government of Japan into a negotiation for a termination of hostilities and resumption of peaceful relations. (Note: The phrase "communicated" etc. is omitted: its omission being considered favorable to China as well as to Japan.)

In a note appended to this section in our June 21 draft it was said that the draft of this section was subject to further discussion of the questions of cooperative defense against communistic activities and of economic cooperation between China and Japan. The belief was expressed that suggestions for a change in the language of this section could most advantageously be considered after the working out of points in connection with these questions as indicated in the annex relating to this section which formed part of our draft of June 21.

V. *Economic activity of both nations in the Pacific area.*

Line 9, delete *to* and insert "for the production and procurement of".

*Underscoring within a quotation indicates changes marked in red ink in the original text of the Japanese draft. [Footnote in the original.]

ANNEX AND SUPPLEMENT ON THE PART OF THE JAPANESE GOVERNMENT

III. *Action toward a peaceful settlement between China and Japan.*

This annex has been changed as indicated below :

OUR JUNE 21 DRAFT

The basic terms as referred to in the above section are as follows:

1. Neighborly friendship.
2. (Cooperative defense against injurious communistic activities—including the stationing of Japanese troops in Chinese territory.) Subject to further discussion.

3. (Economic cooperation.) Subject to agreement on an exchange of letters in regard to the application to this point of the principle of non-discrimination in international commercial relations.

4. Mutual respect of sovereignty and territories.

5. Mutual respect for the inherent characteristics of each nation cooperating as good neighbors and forming an East Asian nucleus contributing to world peace.

6. Withdrawal of Japanese armed forces from Chinese territory as promptly as possible and in accordance with an agreement to be concluded between Japan and China.

7. No annexation.

8. No indemnities.

9. Amicable negotiation in regard to Manchoukuo.

NEW JAPANESE DRAFT OF JULY 11

The basic terms as implied in the Konoe principles and the practical application of those principles are as follows:

1. (No change.)

2. Cooperation to prevent the extension of injurious subversive activities which threaten national security.

3. Economic cooperation. Japan does not intend (a) to exercise economic monopoly in China; (b) nor to limit the interests of third powers in China.

4. (No change)

5. (No change except for substitution of "Eastern Asia" for East Asian.)

6. Withdrawal of Japanese armed forces from Chinese territory with the restoration of peace, within a period of two years and in accordance with an agreement to be concluded between Japan and China. (The Republic of China shall guarantee the establishment of peace and order during the period of troop withdrawal.)

7. Recognition of Manchoukuo.

EXCHANGES OF LETTERS

Our June 21 draft contained a suggested exchange of letters between the Secretary and the Japanese Ambassador in which reference was

made to this Government's attitude toward the European war, and assurances were respectively requested and given with regard to Japan's commitments in the event that this Government might be forced to take measures of self-defense. In replacement of this suggested exchange of letters the new Japanese draft suggests a letter from the Japanese Ambassador to the Secretary the substantive part of which is as follows:

"With regard to the Joint Declaration entered into on behalf of our two Governments, it is understood that the stipulations of this Understanding shall not affect in any manner whatsoever, the inalienable rights of self-defence which each country may exercise vis-à-vis any third power."

Our June 21 draft contained a draft of a suggested letter by the Secretary to the Japanese Ambassador designed to make clear the content of the term "economic cooperation" between Japan and China and Japan's intended course of action in connection therewith. In the new Japanese draft this letter is omitted.

711.94/2178.5

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*⁹⁵

[WASHINGTON,] July 12, 1941.

MR. SECRETARY: There is attached a copy of a set of documents forwarded on July 11 to the Department by the Assistant to the Postmaster General. This set consists of a covering letter addressed to Mr. Walker, a complete new draft of the proposed understanding with annexes and supplements, an "oral memo", and a suggested exchange of letters.⁹⁶

There is also attached a memorandum⁹⁷ showing differences in substance between the draft now received and our re-draft of June 21.⁹⁸

The covering letter which is addressed to Mr. Walker is unsigned but appears to have been prepared by Father Drought. It contains among other statements the assertion that, providing the present document is acceptable to the Secretary of State, Mr. Walker "could manage then to get the consent of the Japanese Ambassador (and the war in China would stop!)"

⁹⁵ Drafted by Messrs. Ballantine and Schmidt; copy forwarded to the Under Secretary of State on July 12 with a covering note that "Mr. Hackworth and Mr. Hornbeck concur in the comments made."

⁹⁶ See letter to Postmaster General Walker, p. 303; other documents not printed.

⁹⁷ *Supra.*

⁹⁸ *Foreign Relations, Japan, 1931-1941, vol. II, p. 486.*

Without going into detailed comment on this new draft, it is felt, in view of the general situation in the Far East and of certain broad considerations, that these new documents together with their mode of presentation do not afford a sound basis for carrying us forward in our discussions. Among those considerations there is to be noted, first, that our re-draft and the Secretary's oral statement of June 21⁹⁹ were given directly to the Japanese Ambassador whereas in this instance these documents have come to us through an indirect channel and without definite indication of sponsorship on the part of the Japanese Ambassador.

In the second place, notwithstanding the intimation in the last paragraph of the "oral memo" (mentioned in the first paragraph above) that Prime Minister Konoe's statement of June 29 to an American correspondent,¹ as well as his reply of July 8² to President Roosevelt's personal message,³ and the letter of July 4 which Ambassador Nomura addressed to the Secretary,⁴ might satisfactorily meet the considerations raised in our oral statement of June 21, we feel that there has not yet been made manifest a sufficiently clear indication that the Japanese Government as a whole desires to pursue courses of peace in the entire Pacific area. The manifestations of the Japanese Government's attitude referred to above fall short in our opinion of overcoming the presumptions created by evidences which continue to reach this Government of an intention on the part of the Japanese Government to pursue a course inconsistent with the spirit of the proposed understanding.

In the third place, although the Japanese draft contains an undertaking to withdraw Japanese troops in China within a period of two years after the restoration of peace, it is open to question whether, in view of all the discussions we have had upon this subject in which the Japanese Ambassador and his associates have emphasized that the retention of Japanese troops for cooperative defense against communism for an indefinite period was a *sine qua non*, we can feel assured, in the absence of more explicit assurances, that the Japanese have renounced the purpose of stationing forces in China beyond the two year period for the purpose indicated.

In the fourth place, although the Japanese have attempted to set aside and to evade detailed questions with regard to their intentions under the program of "economic cooperation" with China, by asserting that those questions will be placed entirely under the jurisdiction

⁹⁹ For latter, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 485.

¹ See telegram No. 904, June 30, 8 p. m. from the Ambassador in Japan, p. 989; also memorandum by Mr. Joseph W. Ballantine, June 30, p. 285.

² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 503.

³ *Ibid.*, p. 502.

⁴ *Ibid.*, p. 499.

of the Chinese Government, it is difficult to follow their logic for the reason that our questions and our desire for clarification of Japanese understanding of the principle of non-discrimination in international relations have only to do with what Japan intends to ask of China and what Japan intends to do on her own initiative. The new Japanese draft therefore does not dispose of the question of the application to Japan's future economic relations with China of the principle of non-discrimination.

The Japanese in this draft have suggested an exchange of letters providing for a mutual recognition of the right of self-defense. The right of self-defense is inherent, is exercised unilaterally, and does not require recognition by any other country. It is only because of the provisions of the Tripartite Pact and the implied threats in repeated statements by Japanese official and unofficial spokesmen that the Tripartite Pact was designed to prevent the entry of the United States into the European War, that it seems important and necessary for the Japanese Government to give unilaterally some clear indication of its intention.

It is to be noted that the Japanese Ambassador has not yet made any reply to our approach to him on July 5,⁵ when we referred to a press despatch from Shanghai published in the *New York Times* of July 5, which reported plans by Japan for the acquisition of naval and air bases in French Indochina and Thailand to threaten the Burma Road, Singapore and the Netherlands East Indies. Nor can it be said that the reply of Prince Konoe of July 8 to the President's message in regard to the Japanese Government's intention with regard to the question of a Japanese attack on the Soviet Union is clear-cut, as it leaves the matter of Japan's intentions in obscurity. Mention might be made also of reports that the Japanese are constructing an expensive naval base in southern Hainan.

It is suggested that for the present we take no initiative in reference to the new documents received on July 11. It is suggested further that if Mr. Walker should raise with you, or if Father Drought should raise with us, the subject of these documents, reply be made to the general effect that while we appreciate Father Drought's desire to be of help, the general situation has now progressed to such a point that we feel that in the best interests of all concerned our conversations and any presentation of documents should be directly between the Japanese Ambassador or his associates and the Secretary of State or his associates; that this procedure makes it entirely feasible for the associates of the Japanese Ambassador to present informally for tentative, informal consideration, any suggestions which they may

⁵ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 499, 501.

have; that, however, any indications which the Japanese Government may have given calculated to meet the broad points raised in the Secretary's oral statement of June 21 have not in our judgment met the broad points raised in a sufficiently clear-cut way; that the Japanese Government has not as yet made any reply to the questions raised with the Japanese Ambassador on July 5 in reference to a Shanghai press report that the Japanese Government had plans for the forceful acquisition of naval and air bases in French Indochina and in Thailand; and that discussion of detailed aspects of the proposed understanding could naturally be carried on to better advantage if the Japanese Government should first manifest in its own way definitive indications that it intends to follow peaceful courses. Mention might be made also that on July 10 we telephoned to the associates of the Japanese Ambassador indicating our readiness at any time to arrange a meeting with them for further discussions, that we have so far received no suggestion that such a meeting be arranged, and that we continue ready to arrange such a meeting.

It is further suggested that if we do not hear from Mr. Walker, Father Drought, or the associates of the Japanese Ambassador before Tuesday⁶ or Wednesday, we might telephone the associates of the Japanese Ambassador, refer to our telephone message of July 10 and state that in order to avoid any possibility of misunderstanding we wished to indicate again our readiness at any time, should they so desire, to arrange a meeting with them for further discussions.

711.94/2178

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*⁷

MEMORANDUM OF COMMENT ON JAPANESE SUGGESTIONS OF JULY 11⁸

Preamble.

With reference to the suggested insertion in the first paragraph of the phrase "as equally sovereign States and contiguous Pacific powers", no reason is given by the Japanese Ambassador for this suggestion. In our opinion, reference in this way to a self-evident fact is likely to be misunderstood as implying a self-asserted predominance of the United States and Japan in the Pacific area.

⁶ July 15.

⁷ Submitted with covering note dated July 15 that "Mr. Hornbeck and Mr. Hackworth have not had an opportunity to go over this memorandum and we are handing them copies for their consideration and suggestions for possible revision."

⁸ Not printed, but see memorandum by the Chief of the Division of Far Eastern Affairs, July 12, p. 314.

II. *The Attitudes of Both Governments Toward the European War.*

For comment on the new draft exchange of letters designed to supplement this section reference is made to the part of the memorandum commenting on the "oral memo".

III. *Action Toward a Peaceful Settlement Between Japan and China.*

While we continue to believe that the phraseology of this section as proposed in our draft of June 21⁹ is in keeping with the spirit of the understanding under consideration, and while we do not perceive the reasons for the Japanese objections thereto, we suggest that discussion of the phraseology of the draft presented to us on July 11 might well be postponed until a mutually satisfactory wording is arrived at in respect to the Annex and Supplement on the Part of the Government of Japan.

V. *Economic Activity of Both Nations in the Pacific Area.*

The Japanese Ambassador does not give his reasons for desiring the insertion in this paragraph of the phrase "for the production and procurement". The phraseology adopted in our draft of June 21 was designed to conform to the existing commercial policies of the United States. The inclusion of the suggested phrase might, depending on what the Japanese Government has in mind in desiring the inclusion of that phrase, involve the question of commitments on the part of this Government beyond its established commercial policy, and thus give rise to serious difficulties.

ANNEX AND SUPPLEMENT ON THE PART OF THE GOVERNMENT OF JAPAN

There are several important changes and omissions in this new draft. For detailed comment on Items 2, 3 and 6 of the "Basic Terms" please refer to comments on the "oral memo". It may be noted that the phraseology of Item 3 in this new draft does not contain even as broad a commitment on the part of Japan as that already given in Section V of the understanding wherein Japan pledges that its activity in the Pacific area will be carried on in conformity with the principle of non-discrimination in international commercial relations. The Japanese formula proposed for Item 3 of this section does not prohibit partial monopolies, economic advantages or special privileges to Japanese nationals which might not be in keeping with the principle of non-discrimination. It is believed that it is as much in the interest of Japan as of the United States that phraseology be adopted which would avoid any misconception being placed upon the intention of the Japanese Government with regard to Japan's future economic policy in China.

⁹ *Foreign Relations, Japan, 1931-1941, vol. II, p. 486.*

Item 7 "No Annexation" and Item 8 "No Indemnities" of our draft of June 21 are omitted in this new draft. These items are believed to be important to make clear the liberal and progressive spirit underlying the proposed understanding.

Item 9 of our draft of June 21 has been changed to read "Recognition of Manchoukuo". From the point of view of this Government it would tend to minimize difficulties were the Japanese Government to accept the wording of this item as suggested in our draft of June 21.

COMMENTS ON "ORAL MEMO"

With regard to the question of the withdrawal of Japanese troops from China, is it to be understood from the statement that "the Japanese Ambassador has accepted completely the proposals of the Secretary of State regarding troops" that all Japanese troops comprising the occupational forces are to be withdrawn within a period of two years from the date of the conclusion of the peace settlement and that no troops will after that date be stationed even in North China and Inner Mongolia for defense against communistic activities? If this is so, would it not be desirable, in view of the record relating to the policy to which the Japanese Government has so far adhered in regard to the stationing of troops in North China and Inner Mongolia for defense against communistic activities, to make this decision unmistakably clear in some appropriate form? It is our belief that the accomplishment of the fundamental purposes of the proposed understanding would be facilitated if that understanding upon its announcement should make manifest to the world the mutual desires of Japan and the United States to pursue liberal and progressive policies along peaceful lines. One of the best ways for Japan to contribute to making possible such manifestation would be for Japan to begin immediately with the announcement of agreement of our two Governments to this fundamental understanding, or as soon as possible thereafter, the progressive withdrawal of troops from China. It would also be helpful if the Japanese Government could in its own way indicate to us the general outline of the schedule which the Japanese Government would expect to follow after the reaching of this understanding with the United States for the removal of its expeditionary forces from territories outside the Japanese Empire.

The suggestion is made in the "oral memo" that in relation to the draft exchange of letters concerning the subject matter of Section II (the attitudes of both Governments toward the European war) there be omitted the reference to an address by the Secretary of State defining this Government's concept of self-defense and that there be sub-

stituted an exchange of letters providing that the stipulations of the proposed understanding should not affect the right of self-defense of each party. It is difficult to see how the adoption of this suggestion would be helpful. The right of self-defense is inherent, is exercised unilaterally, and does not require recognition by any other country. It is only because of the provisions of the Tripartite Pact and what have been widely construed as implied threats in repeated statements by Japanese official and unofficial spokesmen that the Tripartite Pact was designed to prevent the entry of the United States into the European war that it seems important for the Japanese Government to give unilaterally some clear indication of its intentions.

With regard to the question of Japanese economic activity in China, it is stated in the "oral memo" received on July 11,¹⁰ that the draft of a letter on this subject presented by the Secretary of State on June 21¹¹ seems to assume continuous overlordship of Japan in China and that it is impossible for the Japanese Ambassador to make specific replies to the questions raised in that draft letter as they affect the sovereignty of a third power. It is difficult to follow the logic of such a contention. The questions in that draft letter have only to do with what Japan intends to ask of China and what Japan intends to do on her own initiative. It is true that Section V of the proposed understanding provides that Japanese activity and American activity in the Pacific area shall be carried on in conformity with the principle of non-discrimination in international commercial relations. In the light of the actual situation in the areas of China under Japanese military occupation, however, it is believed that it would contribute toward disarming critics for the Japanese Government to give a clear indication of how it intends to apply in a practical way to its economic activities in China the principle aforementioned. Our draft letter of June 21 was prepared with that end in view and in order that there would be no misunderstanding of what the Japanese Government has in mind.

The last paragraph of the "oral memo" would seem to imply that the author thereof considers that Premier Konoe's statement of June 29 (interview with a Paramount newsreel correspondent),¹² his reply of July 8¹³ to President Roosevelt's personal message,¹⁴ and the Japanese Ambassador's letter of July 4 to the Secretary of State,¹⁵ dispose satisfactorily of the indication contained in the last paragraph of the

¹⁰ Not printed.

¹¹ *Foreign Relations*, Japan, 1931-1941, vol. II, p. 491.

¹² See telegram No. 904, June 30, 8 p. m., from the Ambassador in Japan, p. 989.

¹³ *Foreign Relations*, Japan, 1931-1941, vol. II, p. 503.

¹⁴ *Ibid.*, p. 502.

¹⁵ *Ibid.*, p. 499.

Secretary of State's oral statement of June 21¹⁶ that this Government need await some clearer indication than has yet been given that the Japanese Government as a whole desires to pursue courses of peace. We regret that the manifestations of the Japanese Government's attitude referred to above do not, in our opinion, overcome the presumptions created by evidence which continues to reach this Government of an intention on the part of the Japanese Government to pursue a course inconsistent with the spirit of the proposed understanding.

The Japanese Government has not yet made reply to the questions raised with the Japanese Ambassador on July 5¹⁷ with reference to a Shanghai press report that the Japanese Government had plans for the forceful acquisition of naval and air bases in French Indochina and in Thailand. As regards the reply of Prince Konoe of July 8 to the President's message in regard to the Japanese Government's intention with regard to the question of the Japanese attack on the Soviet Union, this reply in our opinion leaves the matter of Japan's intentions in obscurity.

Other developments in the situation which render a clear-cut manifestation of the Japanese Government's intentions all the more important and which might prejudice the success of any approach by the American Government to the Chinese Government, as contemplated in the Japanese proposal, are the recognition of the Wang Ching-wei regime by the Axis powers, the announcement by the Japanese Government made in connection therewith, the joint announcements by the Japanese Prime Minister and Wang Ching-wei on the occasion of Wang's recent visit to Japan, and the concrete evidence of Japan's intention to support Wang afforded by a reported loan by Japan of Yen 300,000,000 to the Nanking regime. In view of these circumstances, it would hardly be a matter for surprise if General Chiang Kai-shek should feel misgivings in regard to Japan's intentions with respect to the future position of the Chungking Government and should on that account hesitate to entertain a proposal for negotiating a peace settlement with Japan.

It is felt, in view of the foregoing considerations, that discussion of detailed aspects of the proposed understanding could naturally be carried on to better advantage if the Japanese Government should first manifest in its own way definitive indications that it intends to follow peaceful courses.

¹⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 485, 486.

¹⁷ See memorandum of July 5, 1941, *ibid.*, pp. 499, 501.

740.0011 P. W./260 : Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, July 15, 1941—2 p. m.

[Received July 16—5:30 a. m.]

At a dinner last night an experienced observer with many good sources handed me a memorandum which I summarize as of interest. After 50 years of aggression and territorial expansion achieved through no clearly formulated policy except a basic urge abetted by opportunism and occasionally by expediency and unhandicapped by moral inhibitions, with Japan's leaders and perhaps even the majority of its people differing only as to details of procedure or degree of aggression, the Japanese are now in a self-created quandary and despite much preparation and many lingering impulses for a southward drive and a desire for holdings in Eastern Siberia dating from the last European war (foiled then by American intervention) they hesitate. They fear that American pressure can therefore be effective as never before. American aid to China, the more spectacular the better, and increasingly stringent blockade measures against Japan are all that is needed.

Japanese statesmen and even high military officers have become steadily more aware of the necessity of settling the China war by (1) negotiating with Chiang, (2) the withdrawal of all armed forces from China and territorial waters and (3) some form of American participation. Last October Matsuoka with permission from an imperial conference and in a handwritten letter proposed tackling the withdrawal of Japanese troops in a year or even 6 months. This was the first official approach but there have been many informal attempts prior and since. Matsuoka was disconcerted when Chiang rejected his proposal.

For some months past an influential element among Japanese leaders has been ready to open peace negotiations even on the three points mentioned but they want prior assurance from Roosevelt and Chiang agreeing to such a conference. Opposition to this element has stiffened in Japan. Military and civilian exploitation of occupied China, especially North China, has been thoroughgoing and the withdrawal of troops would bring humiliation and financial loss to certain Japanese directly concerned.

Substantial Chinese opinion points to the ending of the war soon on terms acceptable to China and the United States if the latter gives prompt effective aid to China. One qualified Chinese contact allows the Japanese 2 or 3 years more on a purely economic basis; another closely associated with the Japanese thinks that a combination of

moral and material factors will force the Japanese to seek peace by spring or early next summer. The former chairman of the North China puppet regime thinks the Japanese may not last the calendar year. The source of the above is Stuart.¹⁸ Above is strictly confidential.

It may well be that the United States could best protect its interests in the Far East not only vis-à-vis Japan but also China by participating in any negotiated settlement of the China-Japan hostilities.

Sent to Chungking, repeated to Department, code texts by mail to Shanghai and Tokyo.

BUTRICK

894.20211 Tachibana, Itaru/33 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, July 16, 1941—7 p. m.

405. Your 984, July 11, 4 p. m. It is suggested that, perhaps as reply to the statement of the Foreign Office official mentioned in your telegram under reference, you orally inform the Foreign Office in your discussion as follows:

This Government has recently undertaken in a special and unusually generous way to show its good-will toward preserving and promoting friendly relations between Japan and the United States. In the matter of the missionaries in Korea the Japanese Government cannot but be well aware of what action on its part would constitute evidence of reciprocal good-will. If the Japanese Government should decide to take such reciprocal action, the record of American-Japanese relations will show the fact of such action having been taken. If the Japanese Government decides not to evidence its good-will by taking such reciprocal action, that fact will also show clearly on the record.

WELLES

711.94/2178½

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)*

[WASHINGTON,] July 17, 1941.

I talked to the Secretary at noon today over the telephone with regard to the approach made to me on July 16 by Mr. Wakasugi¹⁹ in regard to the desire of the Japanese Ambassador to return the

¹⁸ Dr. John Leighton Stuart, American president of Yenching University, at Peiping.

¹⁹ See memorandum of July 16, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 511.

Oral Statement of June 21.²⁰ I informed the Secretary briefly of the remarks made by Mr. Wakasugi and of my comments as set forth in the memorandum of conversation of July 16. I also suggested to the Secretary that he might care to authorize me to make a statement to Mr. Wakasugi along lines as follows:

“In view of the Ambassador’s statement that the Oral Statement of June 21 has been misunderstood by and may be a source of embarrassment to the Japanese Government, the Secretary has authorized me to accept from you the Oral Statement which he handed the Ambassador on June 21. We do so in the light of the statements which we have made to the Japanese Ambassador and to you in explanation of the real meaning and purport of the Oral Statement and in the light of the Ambassador’s statement that he understands what the Secretary had in mind in the Oral Statement.”

The Secretary commented that of course this was a specious argument devised by Matsuoka; that with the various evidences we had pointing to the fact that certain governmental elements in Japan desired to continue in close association with Hitler in a program of world domination and aggression, we could not approach the Chinese or could not enter into an agreement with the Japanese until we had some definite indication that the Japanese Government as a whole desired to follow a peaceful course. The Secretary expressed the view that it was important that we maintain our position as set forth in the Oral Statement. I suggested that we might do this in a more clear-cut way by adding to the statement quoted above a statement to the effect that this Government of course continues to wish to be satisfied that the Japanese Government as a whole desires to follow policies of peace.

The Secretary indicated that he would concur in my receiving the Oral Statement from Mr. Wakasugi provided that in so doing we not allow ourselves to get jockeyed out of the position which this Government had taken. The Secretary repeated that he thought it was important that we maintain that position. He suggested also that I might comment to Mr. Wakasugi that a natural desire on the part of this Government to be satisfied that the Japanese Government as a whole was bent on following a course of peace was something entirely separate and distinct from any inference that anyone might erroneously draw that this Government was endeavoring to single out for criticism some individual in the Japanese Government and to interfere in Japan’s internal affairs, and that it was the broad general question of the attitude of the Japanese Government which concerned this Government.²¹

²⁰ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 485.

²¹ See memorandum and statement by the Chief of the Division of Far Eastern Affairs, July 17, *ibid.*, pp. 513 and 514.

711.94/2178†

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] July 17, 1941.

The Secretary telephoned at 6:15 this afternoon from White Sulphur Springs and in as much as Mr. Welles was not at that time in his office the Secretary talked to me. The Secretary said that he had received the papers which we had sent to him in regard to developments in the Far Eastern situation. The Secretary said that his preliminary thought after reading the documents was somewhat as follows: he thought that we should see what the new government formed in Japan²² has in mind toward keeping up policies of conquest and of association with Hitler in a program of world domination by force or toward changing its attitude and course to attitudes and courses of peace and of adjusting difficulties by means of peaceful settlements. He thought that upon the setting up of a new government in Tokyo we should ask Mr. Grew to endeavor to find out what the policy of the new government is. The Secretary thought that we should here make a similar approach to the Japanese Ambassador. The Secretary commented that we would wish to approach the Japanese Government with a view to obtaining clarification as to its policy in such a way as not to give offense or to be irritating to the Japanese.

If the information or indications which we should receive as to the new Japanese Cabinet's policies and courses should be that the Japanese Government would carry out peaceful courses and rely on peaceful methods, then of course our attitude could be shaped accordingly. If the indications should be that the sum and substance of the Japanese position is to stay hooked up with Hitler's program of conquest, such as would be indicated by Japan's acquiring by force or threats of force military and naval bases in French Indochina, then the Secretary believed that we should develop a broad program designed to deter Japan and to place obstacles in the way of Japan's program of conquest. The Secretary suggested that there might be included in such program the granting to China of a further substantial loan of \$100,000,000 or \$200,000,000. The Secretary mentioned that we might care also to consider granting a loan to France if French Indochina should decide to resist Japan's demands for acquisition of naval and military bases.²³ As further steps in such a program, the Secretary thought that the civil agencies of the Government should work out concrete measures, the results of which would be to impose economic,

²² See telegram No. 1025, *infra*.

²³ On his copy of the memorandum, Dr. Hornbeck made a marginal notation opposite the two sentences on loans: "It is *goods* that they want & we should send; and to *send* goods we should be prepared to ensure *delivery*." (FE Files, Lot 244.)

financial and other restrictions upon Japan. The Secretary believed also that thought should be given by the Navy and Army authorities as to what measures might be taken by them in any such program. The Secretary expressed the view that such a program would be characterized by a general tightening up but always short of becoming involved in war with Japan. He manifested his view that the Far Eastern situation should be viewed in its relation to the world situation and to our policy of extending all possible aid to Great Britain.

The Secretary said that with reference to cooperating with the British in the Pacific situation, he thought that we should tell the British that we were prepared to do all that we could in the way of cooperating with them consistent with our primary purpose of assisting the British in the Atlantic.

During our conversation, I made the comment to the Secretary that I was not certain in my own mind as to the advisability of this Government's, in the event that Japan should acquire military and naval bases in French Indochina, forthwith instituting a program of drastic economic and other restrictive measures against Japan. I said that if there was any doubt in the Japanese official mind as to whether Japan should go against Siberia or against the Dutch East Indies and Malaya, it seemed to me that it would be decidedly preferable that Japan go northward rather than southward and that it would not be to our interests to take action which might influence Japan to go southward rather than northward. The Secretary stated that he was inclined to think that Japan's main attention was centered southward and that any action Japan might take against Siberia would be only after the collapse of Soviet resistance, should that occur, when Japan would simply pick up the pieces preparatory to embarking on a southward movement.

The Secretary said that these were merely his initial impressions.

Just as the Secretary was concluding his talk with me, Mr. Welles returned to his office and the Secretary was transferred from me to Mr. Welles.

M[AXWELL] M. H[AMILTON]

894.00/1064 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 18, 1941—2 p. m.
[Received July 18—10:10 a. m.]

1025. 1. In the absence of any authoritative statement with regard to the current Cabinet change,²⁴ I believe that the Department may

²⁴ In telegrams No. 1014, July 16, midnight (894.00/1057) and No. 1019, July 17, 5 p. m. (894.00/1058), respectively, the Ambassador in Japan informed the Department of the *en bloc* resignation of the entire Cabinet on July 16 and the designation on July 17 of Prince Konoye to head the new government.

wish to review our series of telegrams dealing with Japanese reaction to the Soviet-German war beginning with the Embassy's 867, June 23, 5 p. m.²⁵ So far as we can ascertain the events which culminated in the resignation of the Cabinet followed the pattern which was outlined in those telegrams. As early as June 25 information was received that the unexpected German attack on Russia had placed the Cabinet in serious difficulties and that its resignation or reconstitution was likely (879, June 25, 10 p. m.²⁶). It was pointed out that belief in continued peace between Germany and Russia had formed the basis of Japan's action in concluding the alliance with Germany, that this grave miscalculation of Germany's aspirations and policies could not be passed off without important internal adjustments and that after there had been formulated a new policy in the light of the situation created by the German attack on Russia adjustments of personnel within the Cabinet would be made along lines best conceived to implement such policy (891, June 27, 6 p. m.²⁷).

2. In our opinion it did not seem possible that officials close to the throne would have permitted to escape unscathed those members of the government responsible for the formulation and implementation of a policy based on grave misconceptions. Baron Hiranuma whose government had been surprised by the German-Soviet nonaggression treaty in 1939,²⁸ in presenting the resignation of his Cabinet, invoked the principle that "a Minister must assume responsibility when he causes anxiety to his sovereign"; and our belief that he would insist on the observance of that principle in the present instance was confirmed to us yesterday by a close friend of his.

3. The fact that Prince Konoye has been commanded to form a new government would indicate that he has been absolved of responsibility for the progressive deterioration of Japan's international position. It has been broadly hinted that there have been grave differences of opinion between him and Mr. Matsuoka. We are aware for example that Mr. Matsuoka's interpretation of Article III of the Tripartite Treaty—that Japan would probably decide to side with Germany if war should occur between the United States and Germany—is not shared by Prince Konoye (924, July 2, 7 p. m.²⁹). It seems probable that the resignation of the Cabinet *en bloc* was a device which has been used several times in the past to make possible the elimination from the Cabinet of dissident ministers without recourse to the drastic method of the Emperor being asked by the Prime Minister to dismiss such ministers. Whether or not this explanation is

²⁵ *Post*, p. 979.

²⁶ Not printed.

²⁷ *Post*, p. 987.

²⁸ Department of State, *Nazi-Soviet Relations, 1939-1941*, p. 76.

²⁹ *Post*, p. 991.

correct will be demonstrated by appointments to the new Cabinet. No suggestion has yet appeared in the press that Mr. Matsuoka is to be reappointed to the Foreign Office (in fact he was referred to this morning by one paper as "the retiring Foreign Minister").

GREW

740.0011 P. W./264 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 18, 1941—4 p. m.
[Received July 18—6:35 a. m.]

1026. For the Acting Secretary. Department's 404, July 16, 6 p. m.³⁰ It would seem that the Japanese Ambassador's interpretation of article 3 of the Tripartite Treaty is substantially that of the Prime Minister (please see Embassy's 924, July 2nd, 7 p. m.³¹) and not that of Mr. Matsuoka. (Please see Embassy's 673, May 14, 5 p. m.³² and 707, May 19, 10 p. m.^{32a})

GREW

894.00/1062 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 18, 1941—9 p. m.
[Received July 18—10:15 a. m.]

1030. Embassy's 1029, July 18, 8 p. m.³³ At the time of his assumption of the Commerce and Industry portfolio on April 4, Vice Admiral Toyoda held concurrently the important posts of Vice Minister of the Navy and Chief of the Bureau of Aeronautics. He has twice been attached to the Japanese Embassy in London, the second time [in] 1923 as Naval Attaché, and is considered to be friendly toward Great Britain and the United States. According to the Naval Attaché, Toyoda has a high service reputation and is known to be an outstanding Naval administrator. Genuine regret was expressed in Japanese Naval circles when he was retired and given a Cabinet post. He is not known to have any pro-Axis leaning and appears to be very frank, honest and communicative. He has been on very friendly terms

³⁰ Not printed, but see memorandum dated July 15, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 506, 508-509.

³¹ *Post*, p. 991.

³² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 145.

^{32a} *Ante*, p. 204.

³³ Not printed; it listed the principal Ministers of the new Japanese Cabinet, showing that Adm. Teijiro Toyoda had replaced Yosuke Matsuoka in charge of the Foreign Office.

with several American and British Naval Attachés (particularly Captain F. F. Rogers, USN). He speaks good English.

GREW

751G.94/3747

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] July 18, 1941.

THE QUESTION OF THE JAPANESE GOVERNMENT'S DESIRE TO ACQUIRE
MILITARY AND NAVAL BASES IN FRENCH INDOCHINA

In a telephone conversation with the Secretary today, the Secretary suggested for consideration certain thoughts as follows:

1. The acquirement by Japan of military and naval bases in French Indochina would constitute a menace to the Philippine Islands and to peaceful commerce with a very important section of the world, the products of which are of special importance to the United States and many other nations. Such acquirement would also constitute a step prejudicial to the peace and stability of the whole Pacific area.

2. There is no danger to Japan from anyone and any thought on Japan's part of acquiring bases in French Indochina because of that factor would not be warranted. The British had no aggressive intention against Japan, the United States had none, the Dutch had none, the French had none, and there is certainly no reason to believe that the Soviet Union is planning aggressive action against Japan.

On this point I commented to the Secretary that while our attitude on this matter was entirely logical and justifiable from our point of view, there were many Japanese who honestly and sincerely believed that a possible combination of the United States and the Soviet Union, or a combination of Great Britain and the Soviet Union, definitely would constitute a menace to Japan. I said that many of these Japanese had very narrow concepts and ideas. I said that it would be very difficult to convince Japanese leaders that they were not in danger at this time as a result of political and military developments in the Far East which some of them viewed as steps directed toward the encirclement of Japan.

3. The Secretary suggested as a third point that Japan could get everything she wants in the way of expanded trade and prosperity for her people by going forward with a peaceful settlement with the United States. The Secretary mentioned that he had had constantly in mind, following any peaceful settlement with the United States, endeavoring to bring about similar peaceful settlements between Japan and Great Britain and Japan and the Netherlands.

The Secretary commented that the only warrant for Japan proceeding to acquire military and naval bases in French Indochina was as a preliminary to going south.

The Secretary said that he thought it was very important, in view of developments, that we had already approached the Japanese Government twice in regard to reports that the Japanese Government intended to acquire military and naval bases in French Indochina.

The Secretary indicated that he thought that we should allow the new Japanese Government to get its feet on the ground and then we should continue our effort to cause the Japanese Government to see that its own best interests did not lie in the direction of further pursuit of a policy of aggression but rather along peaceful lines.

751G.94/3747

Memorandum by the Chief of the Division of Far Eastern Affairs (Hamilton) to the Acting Secretary of State

[WASHINGTON,] July 18, 1941.

MR. WELLES: Would it be worthwhile for the President to ask Admiral Nomura to call and for the President to talk to Admiral Nomura along the lines of the Secretary's comments as set forth in the attached memorandum?³⁴ The President might introduce his comments with the remark that in as much as a new Japanese Cabinet has taken office, and in as much as the new Foreign Minister³⁵ is reported to be an old friend and associate of Admiral Nomura's, the President wished to speak to Admiral Nomura very frankly in regard to this Government's concern over the continued reports that the Japanese Government is planning to acquire military and naval bases in French Indochina. *I would recommend strongly against any threat being made to the Japanese Ambassador* but I think it might be advisable for the President to say that if in existing circumstances Japan should acquire military and naval bases in French Indochina, we could not but regard the acquisition of such bases as obtained under duress. I think the President might also ask the question how could the Japanese Government expect the President and the Secretary of State to continue their conversations with the Ambassador directed toward improvement of relations between the United States and Japan if Japan should now acquire military and naval bases in French Indochina. It would seem useful to emphasize that Japan is not menaced by any other country and is in no danger.

Should the President have such a talk with the Japanese Ambassador, I suggest that the President expressly ask the Ambassador to make

³⁴ *Supra.*

³⁵ Adm. Teijiro Toyoda.

prompt report of the President's remarks to the new Japanese Foreign Minister and to the Japanese Premier.³⁶

M[AXWELL] M. H[AMILTON]

711.94/2178††

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Acting Secretary of State*

[WASHINGTON,] July 19, 1941.

MR. WELLES: After you had finished talking with the Secretary today, he talked for a few minutes with me.

With regard to the question of my conveying a further message to the Japanese Ambassador to the effect that everything that was being said and done in Japan during the last few weeks represented a marked departure from the spirit and the subject matter of what the Japanese Ambassador here has proposed and what has been discussed between the Ambassador and the Secretary, I said that my preliminary reaction was that such action at this particular time would probably not accomplish any useful purpose and that it seemed to me that there was no action which we might usefully take at least for another day or two. The Secretary seemed content to let this matter rest.

The Secretary asked that I convey to you statements which he made as follows: In the light of all the unfavorable things that are bubbling up in Tokyo and in the light of Pétain's remark,³⁷ we are likely to see Japan break forth on a general program, not a piecemeal program; we are likely to see Hitler go through Spain and take Gibraltar; we are likely to see France come out with a full-fledged alliance with Germany. The Secretary thought that these were definite possibilities to be kept in mind; that we should not allow ourselves to get in a position of being surprised by such developments; and that it would be well to get these possibilities before the Army and the Navy and the President.

894.00/1085a : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, July 19, 1941—5 p. m.

412. The Japanese Ambassador in the course of a call on July 18 made at his request discussed the composition of the new Cabinet.

³⁶ Notation on original by Mr. Hamilton: "Mr. Hornbeck and Mr. Welles do not approve." Dr. Hornbeck on July 18 wrote separately as follows: "I do not view this proposal with favor. I think that the President should not take an initiative in such matters—where the chances are against his approach having the desired effect." (FE Files, Lot 244) For Mr. Welles' memorandum of July 18, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 515.

³⁷ See telegram No. 888, July 16, 5 p. m., from the Ambassador in France, vol. v, p. 213.

He said that Admiral Toyoda was a close personal friend, and that as it was upon the insistence of Toyoda that Nomura had agreed to come here as Ambassador, Toyoda was under personal obligation to Nomura.

Nomura expressed the view that the new Cabinet was much stronger than the preceding one, that many of the admirals and generals in the Cabinet were in reality representatives of business interests rather than merely representatives of the Navy and Army; and that Hiranuma and the strong representation of the Navy were stabilizing influences in the Cabinet.

WELLES

894.00/1070 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, July 19, 1941—7 p. m.

[Received July 19—3:03 p. m.]

1035. The Japanese press welcomes the formation of the third Konoye Cabinet, praising its smooth and speedy formation and acclaiming the unanimity presented by the new Government and the full cooperation of the military indicated by the selection of Admiral Toyoda as Foreign Minister and the presence in the Cabinet of three other service Ministers in addition to the Ministers of War and Navy. The absence of political party men is pointed out as an indication of strength within the Government consonant with the ideals of the new structure and the Imperial Rule Assistance Association. The Cabinet change is referred to rather as a "reorganization" than as a fall of the Government and the high policy decided at the Imperial Conference of July 2⁸⁸ is expected to be speedily and efficiently executed.

[Here follows summary of Japanese press comment regarding the new Cabinet.]

The personnel of the third Konoye Cabinet and the press comment upon the Cabinet permit the following conclusions:

(1) The present political eclipse of Matsuoka removes from the Cabinet a Nazi-Fascist tinge which has proved fundamentally unacceptable to the Japanese nation.

(2) While no sudden reversal of policy can be expected, Japan will follow a course neither suggested nor dictated by Germany and therefore less likely to lead to a clash with the United States.

(1) [3?] The Cabinet represents a measure of unity achievable among political, military, and financial elements, which presents before the nation a stronger structure than has governed Japan up to the present.

GREW

⁸⁸ See telegram No. 920, July 2, 3 p. m., from the Ambassador in Japan, p. 287.

740.0011 P. W./419

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON,] July 21, 1941.

In talking with Mr. Welles on the telephone this morning from White Sulphur Springs, Secretary Hull raised for consideration Vichy's appealing to Hitler to help stop the Japanese from carrying out the much discussed move on French Indochina.

Secretary Hull likewise suggested for consideration with the Far Eastern Division the desirability of having one more talk with Admiral Nomura. The Secretary said that we could review for the Admiral our whole policy and discussions looking toward a peaceful settlement of Pacific questions. During all this time certain elements in the Japanese Government have been moving in the opposite direction of force and conquest. We desire to see the new Government move in the direction of a peaceful settlement even though it felt that it would have to do so gradually. If the Japanese Government had such intention to agree with our ideas, we could be very patient and collaborate in all practical ways. However, if the new Government is not prepared to move along the lines of a peaceful settlement, but takes action showing the world that it is following a policy of force and conquest, then we want the Japanese Government to be frank with us and say that it cannot discuss with us a peaceful settlement. If the Japanese Government tries to justify its actions by saying that it harbors only peaceful intentions, then we know the arguments to use against this contention. Finally, if the Japanese Government says that it cannot go along with us in the direction of a peaceful settlement, then we would merely state that it knows what sort of a position this decision leaves us and other peaceful nations in.

The Secretary said that he felt that such a meeting with the Japanese Ambassador would put us in better shape and would put the record in better shape.³⁹

In a subsequent talk with Mr. Hamilton, the Secretary enlarged on the foregoing.

Mr. Hamilton will make a separate memorandum regarding his talk with the Secretary.⁴⁰

C[ECIL] W. G[RAY]

³⁹ See memorandum by the Acting Secretary of State, July 21, *Foreign Relations. Japan, 1931-1941*, vol. II, p. 520.

⁴⁰ *Infra*.

751G.3743

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] July 21, 1941.

After talking with Mr. Welles on the telephone this noon from White Sulphur Springs, Secretary Hull talked with me in regard to the suggestion which he had made to Mr. Welles that consideration be given to having a further conference with the Japanese Ambassador in reference to rumors and reports that Japan intended to acquire military and naval bases in French Indochina. The Secretary suggested that in addition to the two approaches which we had already made to the Japanese Ambassador on this subject,⁴¹ a further approach might be useful for purpose of keeping the record clear, even if no other practical result should be accomplished. The Secretary suggested that in such approach to the Japanese Ambassador our whole attitude might be summed up, our interest in peace might be emphasized, reference might be made to the conversations which the Secretary had been carrying on with the Japanese Ambassador here and the underlying and controlling purpose of those conversations, the hope might be expressed that those conversations could be continued, it might be pointed out that the rumors and reports coming out during the past few weeks in regard to Japan's plans pointed in a direction squarely opposite to the direction underlying the conversations which had been held with the Ambassador. The Secretary thought that from some aspects, such as the elimination of some elements from the Japanese Government, the present government might be in a sounder position than its predecessor to carry on the conversations.

The Secretary suggested that in a conversation with the Japanese Ambassador, such as he had raised for consideration, there might be pointed out to the Ambassador, as the Secretary had previously pointed out on many occasions, that there was a complete lack of excuse for Japan and the United States to have serious trouble. The Secretary suggested that if the Ambassador should say that the political situation in Japan would not permit the Japanese Government to make a drastic change in its policy at this time, we could indicate a disposition to be patient while the Japanese Government developed public opinion in Japan by their own means and in such ways as the Government thought best. The only thing which would be needed at this time as a first step to indicate that the Japanese Government sincerely desired to pursue courses of peace would be for the Japanese Government to desist from any reported plans to go ahead with the acquisition of

⁴¹ See memoranda of July 5 and 15, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 499 and 506.

military and naval bases in French Indochina. Any such move on Japan's part would, the Secretary said, of course be regarded by the world as a step of aggression.

M[AXWELL] M. H[AMILTON]

740.0011 P. W./523

Memorandum by the Adviser on Political Relations (Hornbeck) to the Acting Secretary of State

[WASHINGTON,] July 22, 1941.

MR. WELLES: Reference your memorandum of conversation with Mr. Wakasugi of July 21.⁴²

It does not seem to me that the evidence which we have indicates any intention on the part of the Japanese to "occupy" Indochina in the future. They have developed a very clever setup. They are requesting (demanding) of the French certain facilities for military purposes and use. They are promising the French that if their requests are granted without resistance they will give formal pledges to respect French sovereignty, et cetera. The French will yield. The whole transaction will be consummated with due respect for legal technicalities. Force will not be used. The Japanese will not take over political control (government, administration, et cetera). There will be no "occupation". The Japanese will be able to contend that what they are doing is approximately similar to what we have done and are doing at a number of points in the Atlantic.

The difference will be in the ultimate objectives and the strategic and political purposes.

If we are going to take action on our part contingent or conditional on action by the Japanese which can convincingly be described as "occupation", we will not, in my opinion, have in the immediate future the required condition. Question arises again whether we are going to face and deal with the camouflage of clever method and legal technicality which covers an ugly fact or are going to face and deal with the fact itself on its own merits as regards its effect upon our policies and our security together with those of other countries which are opposed to and are resisting procedures of conquest.

S[TANLEY] K. H[ORNBECK]

⁴² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 520.

793.94/16817

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁴³

[WASHINGTON,] July 22, 1941.

This telegram⁴⁴ contains—up to the last paragraph—a summary by Mr. Butrick of a memorandum supplied by Dr. Leighton Stuart, President of Yenching University, at Peiping.⁴⁵

Reasonable attention should, I think, be given to these estimates that the time factor is running strongly against the Japanese. In our formulation of policies and procedures we should make the assumption that Japan can be defeated (in China) without China's having gained a military victory—provided China's resistance can be maintained at a certain level of efficiency and for a sufficiently long period. In other words, *Chinese effort* plus *American aid* plus *time* can produce a situation wherein Japan's effort in China may be automatically (but of course only gradually) liquidated.

On the positive side, we should aid China toward the producing of that situation. On the negative side, we should avoid taking any steps which would tend to prevent a developing of that situation.

S[TANLEY] K. H[ORNBECK]

894.00/1074 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 23, 1941—noon.

[Received 12:30 p. m.]

1052. 1. It is now possible to grasp a little more clearly the factors which led to the recent Cabinet crisis and from those factors to deduce with a degree of reasonable assurance the chief landmarks which will guide Japan's policy in the immediate future. No foreigner in Japan is nowadays allowed an intimate glimpse behind the political scenes but sufficient clues have been dropped from the stage to give the audience a fair conception of the developing situation.

2. It will have been noted that both in official utterances and in Japanese press comments subsequent to the fall of the Cabinet the customary references to the determination of the new government to follow Japan's immutable policy and the lip service rendered to the Axis alliance have been given their proper place but they have been

⁴³ Noted by the Acting Secretary of State.⁴⁴ Dated July 15, 2 p. m., from the Counselor of Embassy in China, p. 322.⁴⁵ Dated July 14, not printed, but see memorandum by Mr. Alger Hiss, September 4, p. 422.

overshadowed by the marked emphasis on the point that in the world as it exists no nation can be wholly trusted and that Japan must henceforth pursue her course independently and alone. From the emphasis on this point and from other evidence we may deduce with reasonable assurance the thesis that Japan is no longer happy in the tripartite alliance and that while it was Germany's unexpected attack on Soviet Russia, of which we have every reason to believe that Japan was not forewarned, that actually "broke the camel's back", nevertheless the ties binding Japan to the Axis have been gradually weakening over a considerable period of time.

3. I have always predicted that sooner or later the Germans, if true to form, would overplay their hand in Japan and that their scarcely concealed arrogance and their fundamental contempt for the yellow race (as often revealed by the former Kaiser and as clearly indicated in Hitler's *Mein Kampf*) would eventually become clear to this proud and sensitive people.

The increasing influx into Tokyo of Nazi officials, including members of the Gestapo, and their efforts to exert a controlling influence in many phases of Japanese life and in matters of purely domestic concern, added to the continual interference of the German Ambassador in an endeavor to regiment the Japanese press along Axis lines, have created a growing feeling among many Japanese that their country was being treated as a satellite if not a dependent. I recollect the remark of one prominent Japanese editor who, on emerging from a scolding from the German Ambassador,⁴⁶ said to a friend: "What do they think we are? Vassals?"

4. The primary cause of the fall of the Cabinet was, as reported in a previous telegram, Baron Hiranuma's insistence that the Cabinet should accept responsibility for failure to foresee the German attack on Soviet Russia [apparent omission] it from all available evidence we may reasonably believe that this was merely the culmination of a marked and growing dissatisfaction with Japan's role as an increasingly controlled appendage of the Axis. I have heard Mr. Matsuoka referenced to as "Hitler's office boy". The Germans, as usual, have overplayed their hand.

5. As to the future, I look for no sudden new orientation in Japan's foreign policy nor for any move to free herself from Axis ties. It is not impossible that the Government, in dropping Mr. Matsuoka, had found such new orientation and if a new tendency of *rapprochement* to the Anglo-American camp is to appear, there is every probability that it will appear only by slow degrees. If such is the case, we may look for a gradual preparing of public opinion through the doctored press which will have our most careful study for the purpose of

⁴⁶ Maj. Gen. Eugen Ott.

observing any new trends that may appear. Any sudden *volte face* of such a nature would be unthinkable. For the present we may assume that the emphasis in Japan's policy will be placed on an increasingly independent attitude toward all nations, including Japan's allies in the Tripartite Pact.

GREW

751G.94/374†

Memorandum by the Chief of the Division of Far Eastern Affairs (Hamilton) to the Acting Secretary of State

[WASHINGTON,] July 23, 1941.

MR. WELLES: In connection with your forthcoming interview with the Japanese Ambassador,⁴⁸ the following may be of interest:

Mr. Wikawa telephoned Mr. Ballantine and said that the Japanese Embassy had been informed by the Japanese Government that all their negotiations with the Vichy Government had been peacefully settled. He said he felt that this would give the lie to all the propaganda that is now being circulated designed to discredit Japan. He said that in Japan Fifth Columnists have been active in trying to discredit Japan and have been sending code telegrams, which could be deciphered. He hoped that in view of the fact that Japanese negotiations with Vichy were peacefully settled we could proceed speedily with our proposed understanding. He added that the Ambassador was seeing Mr. Welles at three o'clock today, but Mr. Wikawa wished to let me know as speedily as possible of the fact of the peaceful settlement with Vichy.

M[AXWELL] M. H[AMILTON]

740.0011 Pacific War/458

*Memorandum by Mr. John P. Davies, Jr., of the Division of Far Eastern Affairs*⁴⁹

[WASHINGTON,] July 23, 1941.

The Counselor of the Chinese Embassy attempted to telephone Mr. Atcheson⁵⁰ this morning and as Mr. Atcheson was temporarily absent from the room I answered the telephone. Mr. Liu asked if we had any information with regard to reports that Japan and France had come to an agreement over Indochina. I replied that I was uninformed on this score.

⁴⁸ See memorandum by Mr. Welles of July 23, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 522.

⁴⁹ Initialed by the Chief of the Division (Hamilton).

⁵⁰ George Atcheson, Jr., Assistant Chief of the Division of Far Eastern Affairs.

In a telephone conversation this afternoon with the First Secretary of the Chinese Embassy on a routine matter, Mr. Tsui repeated substantially the same question asked by Mr. Liu. My reply was the same as given to Mr. Liu. After some hesitation and speaking in Chinese, Mr. Tsui said that the Embassy was very much concerned over these reports. He said that the Central Government felt that . . . Lung Yun (Chairman of Yunnan Province) . . . might be expected to be subjected to great Japanese pressure. . . .

The foregoing situation would seem to be an additional reason for the taking of strong action in the event of the Japanese occupation of the French colony.

740.0011 P. W./420

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON,] July 24, 1941.

In a telephone conversation with Acting Secretary Welles at 12:30 p. m. on July 23, there was considerable discussion about the Far Eastern situation. The Secretary spoke of the latest venture of Japan toward acquiring bases in Indochina in the face of the fact that Japan was not threatened by any nation on the globe. This southward movement, he said, stemmed from a policy of force and conquest. He referred to the friendship of Darlan⁵¹ and Hitler and of the elements in the French Government who were in favor of turning all France over to Hitler.

The Secretary said that, of course, our own Government would do its utmost to carry out any understanding that might be arrived at with Japan, and that Japan was not in danger in the South Sea area. Hence that country must be bent on conquest, in which case some future Japanese Government would take the final steps toward domination of that entire region.

There followed an exchange of views as to what Mr. Welles should say to the Japanese Ambassador later in the afternoon when he kept an appointment with Mr. Welles.⁵²

The Secretary's general idea was that if the Japanese Ambassador attempted to explain away the Indochina move by saying that it had been brought about by peaceful means, then such "peaceful means" were completely contrary to the spirit of the discussions between the United States and Japanese Governments looking toward a friendly

⁵¹ Adm. François Darlan, French Minister for Foreign Affairs and Vice President of the Council of Ministers (Vice Premier).

⁵² See memorandum by the Acting Secretary of State, July 23, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 522.

settlement in the Pacific. The United States Government, Mr. Hull said, could only be driven to the conclusion that our discussions for a friendly settlement had been wiped out by the Indochina development. The Secretary said that if we waited until he came home to tell Ambassador Nomura the foregoing, then it would come too late as a warning to Japan. We must let them see the seriousness of the step they have taken and let them know that such constitutes an unfriendly act because it helps Hitler to conquer Britain. The Secretary said that if we did not tell the Ambassador all this, he would not sit down with Admiral Nomura when he came back to Washington. It would be a farce to do so.

There followed quite a bit of discussion about counter measures on the part of the United States, with Mr. Welles explaining what the British proposed to do, what our Army and Navy boards favored, what the President favored, et cetera, and, as I understood it, the Secretary left the decision on these questions to the judgment of those on the ground.

Secretary Hull then came back to the subject of Mr. Welles' forthcoming talk with Admiral Nomura, and he said that Mr. Welles might begin the conversation by speaking to Admiral Nomura concerning a readjustment of the United States position vis-à-vis Japan somewhat as follows: There is a profound belief everywhere, in view of many reports from many sources, that the Japanese movement into Indochina has two probable purposes, or at least two possibilities this Government cannot ignore: (1) if this Government is to be safe, it is bound to assume that this act constitutes definite notice of the launching of a policy of force and conquest on the part of the Japanese Government; (2) this Government, in the interest of its own safety and in the light of all Japanese utterances and acts, must assume that by its actions and preparations Japan may be taking one more vital and next to the final step in occupying all the South Sea area. Such a statement to the Ambassador would lay the basis for our own future acts and would let the Japanese understand fully our position.

It was agreed between the Secretary and Mr. Welles that there was no use to pursue our discussions for a friendly settlement with the Japanese unless the Japanese policies are to coincide with their professions. We could get any kind of an agreement from the British and other governments looking to the safeguarding of Japanese legitimate interests so that there is no real basis for Japanese claims of being threatened or in danger.

It was agreed between the Secretary and Mr. Welles that something must be said to the press along the lines of the foregoing para-

graphs.⁵⁴ This would be for the purpose of making a record about the real significance of the Japanese movement and likewise to acquaint the public with the fact that we knew what was going on. Mr. Welles then read to the Secretary a draft of a statement prepared by the Far Eastern Division. The Secretary made specific comment as follows: make clear the fact that the occupation of Indochina by Japan possibly means one further important step to seizing control of the South Sea area, including trade routes of supreme importance to the United States controlling such products as rubber, tin and other commodities. This was of vital concern to the United States. The Secretary said that if we did not bring out this point our people will not understand the significance of this movement into Indochina. The Secretary mentioned another point to be stressed: there is no theory on which Indochina could be flooded with armed forces, aircraft, et cetera, for the defense of Japan. The only alternative is that this venture into Indochina has a close relation to the South Sea area and its value for offense against that area.

The Secretary closed by suggesting that Mr. Welles make clear to Admiral Nomura that we are ready and desirous of going forward with our discussions should circumstances permit, and that if an agreement were reached between our two countries, it would safeguard Japan far more securely than taking over Indochina. He said for Mr. Welles to ask the Ambassador to send this to his Government.

C. W. GRAY

740.0011 P. W./421

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON, July 25, 1941.]

EXCERPTS FROM SECRETARY HULL'S REMARKS IN TELEPHONE CONVERSATION WITH ACTING SECRETARY WELLES ON JULY 25, 1941

We have had conversations for several months with the Ambassador and his associates covering this matter completely and we couldn't have offered more assurance to Japan for her entire satisfaction from every standpoint than we did in those discussions. I told him (the Ambassador) repeatedly that if this matter progressed I expected to get a similar agreement with the British, the Dutch, et cetera. We have followed that up as the Indochina phase developed. You will remember we first considered sending a cable of inquiry to Japan about the Indochina matter. Then we sent Hamilton to see the Am-

⁵⁴ For press release issued by the Department of State on July 24, 1941, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 315.

bassador when I didn't see him here to go over the whole situation. Then we sent Hamilton again to see his two associates for the purpose of keeping alive the whole situation that we had under discussion. Then finally, before they got to a face-saving stage, after it was apparent that they were preparing the Indochina move, this was followed up by a final step of summing up for the record the pros and cons and making a final appeal to the Japs before it was too late. That is the record we made. I think it ought all to be kept in mind. It is a fact that, in justice to the Administration, the Government and the State Department, as the Chinese-Japanese difficulties developed, we not only expressed opposition and condemnation at appropriate times, but we gradually took steps of retaliation. I need not mention all the steps. When the question of oil became most seriously considered for the first time, there was not a long period between that point and the point when Japan and the Netherlands proceeded with their trade negotiations, which involved oil and raised the whole oil question. Now, in those circumstances, not with the idea of appeasing Japan ourselves, but merely to deal practically with an international situation that had become acute, so far as oil was concerned, in connection with those negotiations, and which was clearly to remain acute until those negotiations were concluded, we rested our position before those negotiations had ended. The Japanese Government through its Ambassador came to us with a proposal for a peaceful settlement covering the entire Pacific area, including the question of oil and everything else, and I have had, as you know, seventeen conferences with him. There is a strong so-called peace group in Japan back of him (the Ambassador). Naturally, it would have been utterly impractical for us to have followed a purely appeasement policy when every consideration would prevent us from putting on embargoes and penalties and retaliation during these negotiations. My judgment is that the State Department and the Government should not say too much on this Japanese question. The first thing we know we will run into a storm. It is so delicate and there are so many angles to it. I am sure Japan is going on unless something happens to stop her. This is a world movement. The Japanese are seeking to dominate militarily practically one-half the world and apply the barbarous methods that they are applying to China and that Hitler is applying in Europe, and if they have their way, they will carry out what they are saying of their right to be supreme in that half of the world, by which they mean military supremacy with methods of arbitrary, selfish domination and the Hitler method of piracy and naval control of the seas and commerce. At any rate, I just want you to keep that in mind.

C[ECL] W. G[RAY]

740.0011 P. W./307 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, July 25, 1941—6 p. m.

[Received 6:25 p. m.]

1080. The presentation of the American position by you to the Minister Counselor of the Japanese Embassy as set forth in your 418, July 22, 6 p. m.⁵⁶ was wholly admirable. It seemed to me that an attitude on the one hand of firmness and on the other of tact, patience and sympathetic understanding of the difficulties which would confront the Japanese Government in setting a course diametrically opposite to the one it has been following is an attitude best calculated to evoke from the Japanese the response which we desire. It occurred to me that Mr. Wakasugi whose inquiry with regard to the possible effects of Japanese occupation of Indo-China was peculiarly inept might fail to reflect in his report to Tokyo the spirit of your presentation and thus allow to escape an opportunity to press in on Tokyo the importance of avoiding action which would compromise the success of the Washington conversations. I therefore prepared a paraphrase of your telegram under reference (omitting the antepenultimate and final paragraphs) and handed it to the Minister for Foreign Affairs during the course of our first interview today.

GREW

740.0011 P. W./312 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, July 25, 1941—8 p. m.

[Received July 25—6:25 p. m.]

1082. 1. The new Minister for Foreign Affairs, Admiral Toyoda, today received the diplomatic chiefs of mission individually. In opening our conversation the Minister said that his appointment as Minister for Foreign Affairs had come as a great surprise and that as he was an amateur at diplomacy he would count upon my assistance. He then said that the Tripartite Alliance stands and that Japanese policy is based upon that pact. He made no further reference to policy.

2. For my part I said that I had been working for nine years to build up something permanently constructive in American-Japanese relations and that I hoped for the Minister's collaboration in con-

⁵⁶ Not printed, but see memorandum by the Acting Secretary of State, July 21, 1941, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 520.

tinuing those efforts. I said that an improvement in our relations was not only important to the United States but that Japan has everything to gain from such an improvement. It must be remembered, however, that friendship is not a one-way street.

3. The Minister thanked me for what I had said and assured me of his collaboration. He said that as soon as he had finished receiving the chiefs of mission today he would like to have a longer talk with me this evening and would let me know as soon as he was free.⁵⁷ On my departure he took my hand in both of his in a gesture of friendship.

GREW

740.0011 P. W./330 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 26, 1941—6 p. m.
[Received July 26—4:05 p. m.]

1097. Embassy's 1089, July 26, 3 a. m.⁵⁸

[Here follows account of discussion between Ambassador Grew and the Japanese Minister for Foreign Affairs, regarding the situation arising out of Japan's occupation of bases in southern Indochina and the "reported" freezing of Japanese assets in the United States; see memorandum by the Ambassador in Japan, July 26, 1941, printed in *Foreign Relations*, Japan, 1931-1941, volume II, page 532. For freezing of assets, see *ibid.*, pages 266 ff.]

3. I have been asked by several friends here why, if Admiral Toyoda foresaw what was about to happen in Indochina and the resulting whirlwind that he would reap, did he accept office? My impression for what it may be worth is that the Japanese, including the Foreign Minister, have always discounted the possibility of serious retaliation by the United States and that our retaliation has now taken them completely by surprise. Whether this is due to inadequate comprehension of American public opinion by Japanese officials in the United States, or whether their reports have failed to convince the Japanese Government, I cannot say. I myself have constantly tried my best to enlighten them. But of one thing I am sure: the astonishment and profound concern of the Japanese at the turn of events are unmistakably genuine, as is the bitter resentment engendered by the action of the United States.

GREW

⁵⁷ For memorandum of this second interview, see *Foreign Relations*, Japan, 1931-1941, vol. II, p. 317.

⁵⁸ Not printed.

740.0011 P. W./316 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Тоkyo, July 27, 1941—7 p. m.
 [Received July 27—2:30 p. m.]

1103. My 1101, July 27, 3 p. m.,⁵⁹ paragraph numbered 3. It seems to me incredible that Admiral Nomura did not promptly telegraph to his Government the President's proposal presented to the Ambassador 3 days ago.⁶⁰ I am convinced of the honesty of Admiral Toyoda's statement to me this morning that he had not yet received the proposal. The suggestion is unavoidable that extremist elements in the Foreign Office may have withheld the President's proposal from the Foreign Minister. Might it not be worth while to check up on this with Admiral Nomura?

GREW

740.0011 P. W./332 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Тоkyo, July 27, 1941—9 p. m.
 [Received July 27—5:50 p. m.]

1105. In my interview with the Minister for Foreign Affairs today I took the occasion to give him a copy of the Department's press telegram no. 420, July 23⁶¹ with two or three minor deletions. Admiral Toyoda said that he was very glad to have the telegram because he received few press reports from Japanese officials in the United States. I said that I sent to Washington daily reports on the press in Japan and I thought it equally important that the Minister should be in a position to gauge American public opinion by carefully following our own press. The Minister replied that there is a great difference in the press of the two countries because the Japanese press, being controlled by the Government, does not necessarily represent Japanese public opinion. He said that he was now doing his best to restrain the Japanese press from publishing heated attacks on the United States. I replied that if the American Government were to attempt to exert a similar restraint the result would undoubtedly prove to be the reverse of that intended.

GREW

⁵⁹ Not printed, but see memorandum by the Ambassador in Japan, July 27, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 534.

⁶⁰ See memorandum by the Acting Secretary of State, July 24, 1941, *ibid.*, p. 527.

⁶¹ Not printed.

740.0011 P. W./457

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] July 28, 1941.

Reference Tokyo's telegram number 1097 of July 26, 6 p. m. In this telegram Mr. Grew recounts the substance of a conference which he had on that date with the Minister of Foreign Affairs "for an hour".

Mr. Grew records his feeling that in the discussion with the Minister there could be "no meeting of minds" because of the radical divergence of views.

Mr. Grew describes the Minister as profoundly disturbed by the breakdown of the recent conversations. He says that the Minister asked "with obvious anxiety" whether the United States would take additional steps of retaliation beyond the mere freezing of assets. He describes the Minister as seeming to be "greatly crushed" by the turn of events. He concludes by saying that the Japanese are profoundly concerned, are astonished and are bitterly resentful.

It may be pointed out that if the general Japanese attitude is one of "profound concern", the resentment of which Mr. Grew speaks need not, presumably, be cause for alarm on the part of the United States. This is all the more the case if the reaction of the Foreign Minister is representative of the Japanese Government's attitude as a whole in so far as the Minister appeared to be "crushed" at the turn of events and anxious as to possible further retaliatory steps by the United States.

As noted above, Mr. Grew was conscious that there could be "no meeting of minds" between him and the Minister. Mr. Grew says that he explained to the Minister that it had become utterly "hopeless" to accept the assurances of the Japanese Government at face value. In spite of this expressed attitude on Mr. Grew's part, it is significant that he informed the Minister that he was unwilling to close the conversation "on a defeatist note" and that he urged the Foreign Minister now to direct his efforts toward preventing a further deterioration of relations through the continuance of aggressive acts in the Pacific. This closing note may well have indicated to the Minister that once again the United States was prepared to start over again on the basis of accepting Japan's latest acts of aggression in the hope that the latest act will be the last. Such an attitude on the part of the American Government may well explain the impression of which Mr. Grew makes report in his concluding paragraph that the Japanese have always discounted the possibility of serious retaliation by the United States and that the freezing of Japan's assets has taken the Jap-

anese "completely by surprise" [which, however, is certainly not a fact].⁶²

If now our freezing of Japanese assets is allowed to become a mere gesture and is not implemented by a sharp curtailment of the economic benefits which Japan has been deriving from its trade with the United States, it would seem that the Japanese attitude which Mr. Grew describes may indeed be warranted and in any event be likely to continue to be held by the Japanese Government.

Conversely, the effect of a mere gesture of retaliation on the morale of the Chinese and of the Dutch in the Netherlands East Indies would be likely to be adverse. The effect of such a policy upon American public opinion—which has apparently unanimously assumed that drastic retaliation is appropriate and has been decided upon—would also appear likely to be adverse.

S[TANLEY] K. H[ORNBECK]

740.0011 P. W./316

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Acting Secretary of State*⁶³

[WASHINGTON,] July 28, 1941.

MR. WELLES: Referring to Mr. Grew's strictly confidential telegram 1103, July 27, 7 p. m., I understand that the Japanese Ambassador has now asked for an appointment to see you.

In thinking over the question whether it would be advisable to mention to the Japanese Ambassador that the Japanese Minister for Foreign Affairs on July 27 told Mr. Grew that he (the Foreign Minister) had not received from the Japanese Ambassador here a report of the President's proposal, I feel that there are two strong reasons against your making mention of this subject to the Japanese Ambassador.

(1) It seems to me that there is no need for such action. The Japanese Foreign Minister now knows through Mr. Grew of the President's proposal and the Japanese Foreign Minister certainly has his own means of checking with Admiral Nomura in regard to the question of Admiral Nomura's making report of the President's proposal.

(2) I fear that mention by you of the report we have that the Japanese Foreign Minister had not received a report from Admiral Nomura would be construed by the Japanese as weakness and over-eagerness on our part.

M[AXWELL] M. H[AMILTON]

⁶² Brackets appear in the original.

⁶³ Notation by the Adviser on Political Relations (Hornbeck): "Concur"; by the Under Secretary: "I disagree."

740.0011 P. W./422

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON,] July 28, 1941.

In a telephone conversation today between Acting Secretary Welles and Mr. Hull at White Sulphur Springs, Mr. Welles read to the Secretary the latest and most important telegrams from Mr. Grew at Tokyo. Following this Mr. Welles said that he was seeing Admiral Nomura this afternoon⁶⁴ and in connection with what Mr. Welles should say to the Ambassador, Secretary Hull commented somewhat as follows:

I don't know whether I said this to the President or to you or Hamilton the other day when we were talking about what we should and could say to the Japs as a last resort. We would be willing, if they would take the right course, to utilize our navy to help the Japs, in a way satisfactory to them, to protect themselves from Indochina. And I said, as we remarked a dozen times to Nomura, we would try to get Britain and the Netherlands and other interested countries to sign an agreement similar to the one we were talking about. I mentioned those things and our position of cooperation. The only thing we talked about for several months has included all kinds of protection to them locally and generally as well.

My view is that Nomura sent them the President's proposal and the Ministers there have held it up. I think myself that about ten days ago the military crowd got the upper hand and pushed the others into this Indochina venture, which is a movement towards conquest and force and away from the one course which we have been discussing. These other things, if true, are just by-plays on their part. Can they now seriously turn to us and talk about an agreement to help them out, as though they don't know they need no protection from Indochina. We are making a mistake if we don't look out for other developments instead of clinging too much to our discussions looking toward a settlement. The Japanese situation needs to be watched very closely. I would remind Nomura first, that the conversations we have had and the proposals that we have made have covered every imaginable kind of possibility of danger to Japan, especially from Indochina; that there were no possibilities to start with and it would be a great injustice for a Government like Japan seriously to profess that she is in danger from anyone in the Indochina area.

C[ECIL] W. G[RAY]

⁶⁴ See memorandum by the Acting Secretary of State, July 28, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 537.

740.0011 P. W./424

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON,] July 29, 1941.

In a telephone conversation today Acting Secretary Welles acquainted Mr. Hull at White Sulphur Springs with certain information he had imparted to the Japanese Ambassador yesterday about Japanese ships.⁶⁵ Secretary Hull made some comment to the effect that this raised a question to which we should give serious consideration. He continued somewhat as follows:

Just as we knew that the Japanese were going to send troops and everything else to Indochina, we do know from the same source of information that they are going on to the next step. If we assume, contrary to what informed outside observers and even specialists say, that they will not do that and instead either do nothing or go north, we will find ourselves surprised in all probability. I think we need to keep a stiff rein and consider making it just as stiff as possible short of actual military activity. They will settle down all over Indochina in effect and then we know they will be moving again, perhaps into Thailand. They will take us by surprise, if we are not careful.

The British and the Dutch raise the question of what we should say to China in the way of further help. These should be conferred with if we say anything about further loans or further aid.

I think we need to give all possible thought to aiding the Philippines and China with whatever we can spare—aircraft, et cetera.

I don't suppose our people would think it safe to send a squadron down south in a pretty conspicuous area, would they?

We must assume, in the light of the same source of information we first had about the certainty of the occupation of Indochina, that they may go further any time.⁶⁶ They don't limit themselves with respect to time in connection with further movements. We must not be taken by surprise. So it is up to our folks to decide on a course of progress.

C[ECIL] W. G[RAY]

⁶⁵ See memorandum by the Acting Secretary of State, July 28, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 537.

⁶⁶ See telegram No. 888, July 16, 5 p. m., from the Ambassador in France, vol. v, p. 213.

740.0011 P. W./494

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] July 29, 1941.

The Minister of the Netherlands called to see me this afternoon at his request. The Minister expressed the hope, in the name of his Government, that the Government of the Netherlands would be informed more fully of the policies which this Government might be taking and the practical steps which it might undertake with regard to the situation in the Pacific than had been the case prior to the proclamation of the freezing order regarding Japanese funds.⁶⁷

I stated to the Minister that I fully appreciated the motive of the request made and entirely concurred in the desire expressed by the Netherlands Government; I said, however, to the Minister that only a week ago I had specifically stated to Mr. Butler, who was then in charge of the British Embassy, that I felt it imperative that the Netherlands Government be fully informed on the views of the United States and British Governments and the steps which they had under contemplation, and that I assumed that, in as much as the Netherlands Government was now functioning in London, the British Government was giving the fullest information on these points directly to the Netherlands Government. I said that Mr. Butler had assured me that that was the case and since I had not heard to the contrary I would be warranted in taking that for granted; if that was not in fact the case I regretted it and that I could only add that had the Minister been in Washington during that period I would, of course, have informed him personally with regard to these matters. I said that it would be my desire to see that any withholding of information on these questions in the future might be avoided.

The Minister said he fully understood and had already been in touch with the British Embassy about this question.

I then went over carefully with the Minister the general lines which we were going to follow in connection with the freezing order, and I also made it clear to the Minister in connection with a remark which he made on the subject that I believed the American oil companies which were doing business in the Netherlands East Indies should discuss directly with the Netherlands East Indies authorities the policies which these companies should pursue with regard to the furnishing of oil to Japan. I said that the Department of State had already given this indication to these American oil companies. I said that at this stage I did not think it appropriate for the United States Government to attempt to undertake the responsibility for what these companies

⁶⁷ Executive Order No. 8832, July 26, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 267.

were doing in the Netherlands East Indies. I said that I believed the Netherlands East Indies Government was in a far better position to advise the companies in answering these questions.

The Minister, by instruction of his Government, stated that the Netherlands Government desired the United States to understand that the steps which the Netherlands East Indies Government had now taken were to be regarded as making it clear that the Netherlands Government would not undertake any policy of "appeasement" towards Japan. In view of these facts the Minister said his Government trusted that, in the event that the carrying out of this policy by the Netherlands East Indies Government resulted in hostile action by Japan against the Netherlands East Indies, the Government of the United States would bear in mind the situation of the Netherlands East Indies and the steps which they had taken in order to make it possible for a firm front to be presented against Japan by all of the powers directly interested in the Pacific. I replied to the Minister that I had in mind, as I am sure he did, interviews which had taken place in the past between our military and naval authorities and similar authorities of the British and Netherlands Governments. I said, however, that for the moment I would say nothing more than that the situation in the Netherlands East Indies was a matter uppermost in the mind of this Government and that careful note would be taken on the statement which he had just made to me.

S[UMNER] W[ELLES]

740.0011 P. W./315 : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, July 29, 1941—3 p. m.

436. Your 1101, July 27, 3 p. m.,⁶⁸ and 1103, July 27, 7 p. m. Let me first of all thank you for the steps you took upon your own initiative which are fully approved by the President and by the Department. I regard your action as of the greatest value and assistance at this time.

In a conversation which I had with the Japanese Ambassador yesterday evening ⁶⁹ I informed him that the normal procedure regarding clearance facilities would be adopted by United States authorities for Japanese vessels desiring to clear from our ports.

I informed him that I was exceedingly surprised to learn from a report I had just received from you that as late as July 27 the Minister for Foreign Affairs had not yet learned of the exceedingly

⁶⁸ Not printed, but see memorandum by the Ambassador in Japan, July 27, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 534.

⁶⁹ See memorandum by the Acting Secretary of State, July 28, 1941, *ibid.*, p. 537.

important proposal made to the Japanese Government through the Ambassador on July 24. The Ambassador replied that he had on the evening of July 24 sent a brief summary of the President's proposal to his Foreign Office, that he had then gone to New York and had from New York sent on the evening of July 27 a full and detailed report of the President's proposal to his Government.

Whatever the reasons may have been for the procedure adopted by the Japanese Ambassador and by the Japanese Foreign Office officials, it is unquestionable that a delay of three days took place.

The President asked me to express to you his opinion (at this stage merely for your background information) that inasmuch as time is of the essence, should the Japanese Government accept the proposal made and should they already have landed naval and military forces in Indochina, the essential thing in that event, until these forces could be totally withdrawn, would be to make sure that they did not "dig in".

WELLES

740.0011 P. W./343: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 29, 1941—6 p. m.
[Received July 29—9:40 a. m.]

1118. My 1103, July 27, 7 p. m. During a talk today the Chief of the American Bureau of the Foreign Office informed Dooman that the Foreign Office had received a very brief telegram from Admiral Nomura concerning the President's proposal but he characterized the report as being too brief to be of any use and said that the Minister had instructed Nomura by telegraph on Sunday afternoon, July 27, to submit promptly a comprehensive report.

GREW

740.0011 P. W./425

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON,] July 30, 1941.

In a telephone conversation today between Acting Secretary Welles and Secretary Hull at White Sulphur Springs there was some discussion about the *Tutuila* bombing⁷⁰ and our general program of retaliatory action against Japan generally.⁷¹ The Secretary indicated that he

⁷⁰ See vol. v, pp. 873 ff., and *Foreign Relations, Japan, 1931-1941*, vol. I, p. 719.

⁷¹ See pp. 774 ff.

was quite content to leave the forming of such a program to the judgment of those on the ground here in Washington. His own position was summed up as being one of formulating a comprehensive program of action short of war to be placed into effect as rapidly as circumstances permitted.

740.0011 P. W./364: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 30, 1941—10 p. m.
[Received July 30—7:10 p. m.]

1131. Your 436, July 29, 3 p. m., is greatly appreciated. The eventual way out of the present situation would appear to lie in the third provision of the Franco-Japanese protocol of July 29⁷² to the effect that the validity of the stipulations of the agreement shall cease when the situation motivating their adoption no longer exists. The President's proposal, if accepted and carried through, would effectively remove the alleged threat to the security of Indochina set forth in the preamble of the protocol as the fundamental purpose of the agreement. If Japan should reject the proposal or should avoid giving positive authorization to the President to proceed to carry out the proposal, Japan's good faith would be brought into question, the honesty of her announced purpose and incentives would come before the tribunal of public opinion, and her position before the world and in the light of history would become doubly unenviable.

This, of course, assumes that the President's proposal will eventually and inevitably be made known to the public, a point which might discreetly but helpfully be conveyed to Admiral Nomura in case the reply of the Japanese Government should be unduly delayed or should prove to be of a negative or evasive character. No progress can be made toward the adjustment of international relations without mutual confidence, and were the Japanese Government to withhold confidence in the helpful efforts of the President to find a way out of the impasse and in such eventual international assurances with regard to the security of Indochina as the President might be in a position to present, such an attitude on the part of Japan would oblige the United States completely to discount any expressed desire on the part of Japan for a restoration of good relations with the United States.

I know of no other way of possibly preventing the Japanese forces from "digging in" in Indochina than to bring the foregoing thoughts

⁷² Signed by Admiral Darlan and the Japanese Ambassador in France (Kato). For U. S. position in regard thereto, see telegram No. 612, July 31, noon, to the Ambassador in France, vol. v, p. 243.

through Admiral Nomura squarely to the attention of the Japanese Government.

GREW

794.00/258

*The Third Secretary of Embassy in Japan (Espy) to the Ambassador in Japan (Grew)*⁷³

[Tokyo,] July 31, 1941.

Last evening at a dinner party attended by Mr. Emmerson,⁷⁴ Mr. Herbert Norman of the Canadian Legation, myself, and Mr. Tomo-[hiko] Ushiba, Private Secretary to the Prime Minister, the points given below developed in our conversation. The conversation was a long one, lasting some three hours, and I have tried to collect, under separate headings, the remarks made to us by Mr. Ushiba. Of necessity some of the points represent fragmentary comments on the subjects indicated but it is hoped that they may fit in with and perhaps fill out information that you may have from other sources.

JAPANESE CABINET

Mr. Ushiba said that the present Foreign Minister, Admiral Toyoda, was very popular with Japanese extremists. He said that "his appointment is an example of Prince Konoye's famous policy of appointing men popular with the extremists to carry out moderate policies." He said that Admiral Toyoda was very reluctant to accept the position; that Admirals Oikawa and Sakonji had stayed up all one night in an endeavor to persuade him to take the portfolio, but it was only the Premier's persuasion the next morning which made him do so. Mr. Ushiba told us that Admiral Toyoda was very much upset over the French Indochina affair. Mr. Ushiba said that the Japanese decision to carry out "the joint protection of French Indochina" had been made by the previous Cabinet and was a part of the Matsuoka diplomacy. He said that from the standpoint of this particular policy it would perhaps have been better for Mr. Matsuoka to have stayed in the Cabinet and seen the matter through since he was the originator of the policy. I asked Mr. Ushiba whether he thought our reaction to the Japanese action was as strong as Japan expected it to be. He said "it was just as strong as Japan had expected." (In putting this question to Mr. Ushiba I had in mind, although I did not so state to him, reports that I have heard during the past two days from two sources to the effect that the Japanese were relieved that we

⁷³ Copy transmitted to the Department by the Ambassador in Japan in his despatch No. 5800, August 23; received October 2.

⁷⁴ John K. Emmerson, Third Secretary of Embassy in Japan.

had not taken stronger measures, such as possibly a complete embargo against Japan or even a more positive move. Our reaction, it was said, indicated that we were very loathe to take drastic measures against Japan, if not entirely unwilling to do so, and to bring on a possible clash in the Pacific because of the fact that we had to concentrate our attention in the Atlantic area.) Mr. Ushiba also informed us that while Admiral Toyoda had been very pessimistic over the events that had occurred since his assumption of office, Prince Konoye on the other hand appeared to view the situation quite optimistically.

Mr. Ushiba verified the statement made by Admiral Nomura to Mr. Welles that he (Admiral Nomura) had accepted the post of Ambassador to the United States at the request of Admiral Toyoda.

Mr. Ushiba said that Admiral Sakonji was a moderate and a great friend of Admiral Toyoda's.

Mr. Ushiba said that Mr. Hirasawa, formerly of the American Section of the Foreign Office and now in the Japanese Consulate General in New York, is an extremist and that Mr. Ushiba's own brother, who has been transferred to the Japanese Embassy at Berlin from the Japanese Embassy at London, is also an extremist.

Parenthetically Mr. Ushiba said that the word "extremist" had in the sense in which he used it the connotation of "pro-Axis".

GERMAN-SOVIET-JAPANESE RELATIONS

Mr. Ushiba said that some people thought that Germany had hoped Japan would attack Russia immediately upon the outbreak of the German-Soviet hostilities. From his further remarks we gathered that he implied that Japan might do so later, but that the Government had decided to wait. I understood him to say that Ambassador Oshima at Berlin had, since the outbreak of the German-Soviet war, been constantly and ever more persistently urging the Government to enter the war against Russia, and that there was a feeling that Mr. Matsuoka after the war began might also have urged the Japanese Government to do so: Mr. Emmerson does not recall these remarks.

Mr. Ushiba confirmed what we have been told before that Japan had joined the Axis on the basis of peace between Germany, Russia, and Japan, and also of keeping the United States out of the war. He said that when Stahmer^{74a} came to Japan last fall the latter had urged Japan to reach an agreement with Russia. Later on, however, Germany turned around and told Japan even before the neutrality pact had been concluded that Japan should not enter into an agreement with Russia.

Mr. Ushiba said that when Mr. Matsuoka was in Berlin he did not send one telegram on his conversations with Hitler and that the Japa-

^{74a} Heinrich Georg Stahmer, German adviser in the 1940 Axis Tripartite Pact parleys.

nese Government has no evidence of what transpired at the talks or what commitments Mr. Matsuoka might have made there. He said that some circles thought that Mr. Matsuoka might have committed Japan to make an immediate attack on Russia upon the outbreak of the German-Soviet hostilities. He said that this was one subject, however, which had been kept completely secret. He added the remark that Germany has a full record of the meetings at Berlin⁷⁵ and Japan has nothing. I mentioned to Mr. Ushiba that we had heard various reports that Germany was anxious to have Mr. Matsuoka leave the Cabinet and asked him whether this was true and what the reasons were therefor. He said that he thought that the reasons might be that Germany was angry at Japan, at Mr. Matsuoka in particular, for having concluded the neutrality pact and for not having immediately begun hostilities against Russia. At another point during the conversation Mr. Ushiba remarked that Mr. Matsuoka apparently had not informed Hitler of Japan's intention to conclude an agreement with Russia and that this was probably a further cause for the German feeling regarding him.

GERMAN-SOVIET WAR

Our conversation dwelt for some time on the possible outcome of the German-Soviet war. When asked what reports the Japanese Government had received from Russia and Germany in the matter, Mr. Ushiba stated that no reports had been received from Ambassador Tatekawa for two weeks but that the Ambassador's last report was very pessimistic as regards the Russian position. The Ambassador had stated that the Russians were despondent and that Russian troops were solemnly marching off to war with "lowered heads". He said that Ambassador Oshima on the other hand had been sending in very optimistic reports of a successful German offensive. He told us that Ambassador Oshima had been in constant touch with Hitler, who had been telling him that all is going well for Germany. He said that Ambassador Oshima had been flooding the Government with pro-Axis reports, so much so that some Japanese had dubbed Ambassador Oshima "Ribbentrop's secretary". According to one of the reports received from Ambassador Oshima, Hitler had said that the Russian air force was much worse than expected but that the German army had found the Russian infantry to be putting up far greater resistance than had been anticipated. (At this point in the conversation Mr. Norman injected the comment that he had heard from some military authority, he did not say of what nationality, that German reports of the capture of Kiev and Smolensk had not been entirely unfounded; as German panzer divisions had twice occupied Kiev and three times Smolensk but that each

⁷⁵ See Department of State, *Nazi-Soviet Relations, 1939-1941*, pp. 280 ff.

time the Russians had closed in behind, held up the German infantry advance, and forced the panzer divisions to retire.) Mr. Ushiba said that the Japanese had been told by German sources that Moscow would be captured in six weeks' time from the outbreak of the hostilities. He added that the most optimistic reports were to the effect that Moscow would be taken within a month, while others gave two months as the longest period before its fall. When asked what the opinion of the Japanese military was regarding the war situation, he said that it would be noticed from the papers that communiqués from both sides were being published in the Japanese press. He said that heed was being given to the despatches from each country and that it was realized that the contradictory accounts gave a confused picture of the actual status of the hostilities. He added, however, that Russian resistance might soon be crushed and Moscow captured only a few days thereafter. He gave us to understand that the Japanese military did not necessarily think that the war would be over if Moscow fell and gave the impression that the Japanese were not too sure yet of an early and complete defeat of Russia although they did expect an eventual German victory.

CHINA

In discussing the China Affair, Mr. Ushiba stated that the Japanese Government was at first rather angry and put out with Ambassador Honda for having made his public statement in the early part of May. When Mr. Wang Ching-wei came to Japan, however, their feelings changed in the matter. He said that Wang had made a great impression. It seems that Wang threatened to resign and the Government then realized that Ambassador Honda had correctly warned Japan of the situation in China.

Mr. Ushiba quoted Premier Konoye as having stated that the China Incident could not be settled by Japan alone and had to be resolved by international negotiation. Mr. Ushiba described the China Affair as tragic. He said that it must be admitted that in the beginning the North China campaign had been started as a purely military aggressive action on the part of Japan. When, however, the North China Incident evolved into the China Incident and developed into the present tragic—he kept repeating that word—affair, the Government formulated the policy of a New Order in East Asia for the purpose of extricating Japan from the war. He said that former Foreign Minister Arita had misled Mr. Grew and Sir Robert Craigie in permitting them to believe that the situation as it then existed in China represented the New Order, whereas the New Order actually was an ideal to be set up after the hostilities had ended. He said he meant by the phrase "situation as it then existed in China" the fighting in China and the killing of Chinese.

Mr. Norman here pointed out that one of the reasons for suspicion of the New Order entertained by third powers was that there had not been explained what the New Order meant or entailed. Mr. Ushiba admitted the truth of this observation but stated that no Foreign Minister could explain the New Order and that it was indeed a vague conception. Mr. Ushiba appealed to us to understand the fact that the Japanese people really believed in and wholeheartedly supported the New Order in East Asia policy.

RICE CROP IN JAPAN

Mr. Ushiba said that there would likely be a very poor rice crop this year in view of the weather conditions so far. He said that the rice crop would be even smaller than that of last year with the only redeeming feature that there were prospects for a good yield in Korea. He added in passing that it was not unusual to have two bad rice years in succession.

JAMES ESPY

740.0011 Pacific War/364: Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 1, 1941—5 p. m.

453. Your 1131, July 30, 10 p. m. We appreciate receiving the suggestions contained in your telegram under reference and will continue to bear them in mind. We believe that pending further indications of the Japanese reaction to the President's proposal, it would be inadvisable for this Government to take any further initiative in the matter, especially in view of our estimate that the prospects of a favorable response from the Japanese Government are so slight.

WELLES

740.0011 P. W./427

Memorandum by Mr. Cecil W. Gray, Assistant to the Secretary of State

[WASHINGTON,] August 2, 1941.

In a telephone conversation between Acting Secretary Welles and Secretary Hull at White Sulphur Springs today the following general comment was made by Secretary Hull on the Far Eastern situation:

We have got to keep in mind every day what seems to be the central fact in the situation, so far as the Japs are concerned, and that is that they are at a point right now where they must either go forward

more and more toward Thailand and the Burma Road area, no matter how surreptitiously—by evasion, deceit, and all manners of avowals of friendship and peace—as they have done so many times in the past, or they must turn around and come back toward the road of friendship and peace. They swear every day that they are going forward and they are fitting their acts to their words. The only time they modify their policy of overt, unfriendly acts is when they make false and fraudulent avowals of peace and friendship. This they do until they get ready to go forward. While I am not suggesting anything, we should keep what I think is the central point of the situation in mind every day, otherwise we will find ourselves surprised. Nothing will stop them except force. Unless we figure that they are going to turn back we should not figure that they are going to be satisfied to stop where they are. The point is how long we can maneuver the situation until the military matter in Europe is brought to a conclusion.

I think the Japs expected us to go to almost any lengths economically when they took this big stride in Indochina. We could have gone further, in my opinion. You have to keep this in mind—that there is naturally going to continue to be an element of risk and danger in our course, if it is sufficiently firm and extensive to checkmate them. I just don't want us to take for granted a single word they say but appear to do so, to whatever extent it may satisfy our purpose to delay further action by them. If we can bring about a situation over there responsive to the standpoint we seek and also public opinion at home, it will be fine. Of course, I think they would have stood for cutting oil off entirely as a deserved penalty for going into Indochina. We must realize that the extreme elements that don't reason much may be poised and ready to take advantage of any attractive slogan to make a break southward.

C[ECL] W. G[RAY]

740.0011 Pacific War/2131

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] August 2, 1941.

The British Ambassador ⁷⁶ called to see me this morning and was accompanied by the Minister of Australia and the Minister of the Union of South Africa.^{76a} They all had similar instructions, namely, to express the deep concern of the British Government and of the Dominion governments regarding reports that Japan was about to force Thailand to grant military and economic concessions similar to those obtained from France in Indochina. The three governments ex-

⁷⁶ Viscount Halifax.

^{76a} Richard G. Casey and Ralph William Close, respectively.

pressed the hope that the United States would warn Japan with regard to the policy that the United States would take in the event that Japan undertook to occupy Thailand. The British Government specifically expressed the hope that this Government would make to Japan a proposal similar to that which the President had made last week with regard to Indochina.⁷⁷

After the three envoys had finished carrying out their respective instructions, I stated that on July 31 both through the Japanese Ambassador in Washington⁷⁸ and through the American Ambassador in Tokyo,⁷⁹ the United States Government had informed Japan that this Government had heard reports of the character to which reference had been made by the three envoys and consequently, by direction of the President, the Japanese Government was informed that the President's proposal regarding Indochina was to be regarded as being made extensive to Thailand as well. I said that in view of these circumstances I should prefer to await the reply of the Japanese Government before considering any further steps of the nature mentioned.

The British Ambassador and the two Ministers were entirely agreeable to this and I stated that I would, of course, inform the British Ambassador of the nature of the reply of the Japanese Government when it was received.

S[UMNER] W[ELLES]

740.0011 P. W./400

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] August 2, 1941.

The Japanese Ambassador called upon me this afternoon at his request.

The Ambassador made no reference whatever to the publication yesterday of the oil restriction proclamation.⁸⁰

He again set forth, however, his constant and earnest effort to do everything possible to improve relations between our two countries. He said that he wished me to know that the reason why no reply had as yet been received to the proposal made to him by the President was that the Japanese cabinet was composed of members who operated as individuals and not as an entity under the direction of a president as in this country. He said that the Emperor only intervened in affairs

⁷⁷ See memorandum by the Acting Secretary of State, July 24, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 527.

⁷⁸ See memorandum of July 31, *ibid.*, p. 539.

⁷⁹ See telegram No. 452, August 1, noon, to the Ambassador in Japan, vol. V, p. 245.

⁸⁰ See White House and Department of State press releases on August 1, Department of State *Bulletin*, August 2, 1941, p. 101.

of state when requested to do so. He said that for that reason there was bound to be delay in reaching a decision on a matter which was as important as the President's proposal, but that he had had word from Tokyo that the question was receiving the earnest and immediate attention of the cabinet members. The Ambassador said that he would inform me immediately of any further word which he might have with regard to this question.

S[UMNER] W[ELLES]

711.93/473½

*Mr. Lauchlin Currie, Administrative Assistant to President Roosevelt,
to the Acting Secretary of State*

WASHINGTON, August 3, 1941.

Re: Lattimore's Cable of August 2nd.⁸¹

1. Japan would be restrained and our interests would thereby be served if Russia, China and Britain entered upon an agreement that provided that in the event that either Russia or Britain was attacked by a power that was also attacking China, the three nations would take joint military action against the aggressor.

2. We have such a great stake in restraining Japan until the Battle of the Atlantic is won and until we can get sufficient ordnance and planes to China, that we might properly take the responsibility of suggesting the desirability of such an alliance to Britain and Russia. It offers an opportunity of holding Japan without entailing an undue diversion of materiel by the anti-Axis powers to the Far East.

3. The other alternative mentioned is that China should be invited to participate in conversations between British, Dutch and Americans regarding mutual defense in the Pacific. If such conversations are proceeding, this appears to be a reasonable request which I should think would be in our interests to grant.

4. China's feeling that the democracies regard her as inferior and of not being worthy of being considered an ally is one I encountered. It is deep and persistent and should not, I think, be ignored. Chiang, himself, feels very strongly in this matter.

5. If you should decide to communicate the substance of these requests back to Gauss, I trust that he fully understands that he should not disclose his knowledge of them to the Generalissimo.

6. Pending action on these requests, I propose, if agreeable to you, merely to acknowledge receipt and say that the President has the matter under advisement.

LAUCHLIN CURRIE

⁸¹ *Infra*; Owen Lattimore was American Political Adviser to Generalissimo Chiang Kai-shek.

[Annex]

CABLE TO LAUCHLIN CURRIE FROM OWEN LATTIMORE⁸²

CHUNGKING, August 2, 1941.

Following extremely confidential, has not been mentioned to any Embassy. Generalissimo gravely concerned by political situation because reaction of Chinese people is that after four years strenuous resistance China, despite American assistance and American and other countries' sympathy, has not won a single ally and the nation feels politically isolated. Growing apprehension that after the war China's victory may not have won equal status and treatment. Japanese and puppet propaganda recently exploiting situation, insinuating China being used by anti-Axis democracies as a tool, not an ally, and will be victimized in peace terms. Such propaganda will have unfortunate reactions tending to undermine resistance of both Chinese people and army unless countered. Generalissimo feels that only the President is in a position to take initiative at present time and urges him to consider two alternatives. Either President suggest to Britain and Russia that they propose alliance with China, or America, Britain, Holland, et cetera, invite China participate in their already existing Pacific defense conferences. Hitherto, China has been omitted from conversations concerning joint defense against either Germany or Japan and is ignorant of measures taken although she has borne brunt of fighting Japan, Germany's ally, and defending interests democratic powers for four years. Either proposal, if initiated by the President, can safeguard China's equal footing among anti-aggression peoples and remove stigma of discrimination. If considered inadvisable to make public either proposal, they could be kept confidential. With Britain, Russia and China now all resisting Germany and Japan, if an alliance of mutual assistance is not speedily concluded, Chinese people would be increasingly alarmed and suspicious of future actions, remembering their traditional policies.

Following information also confidential, though Russians may have informed British. When Britain and Russia concluded mutual assistance pact, Japanese Ambassador protested to Molotov⁸³ that Japan considers Britain potential enemy and would regard further *rapprochement* as hostile. Therefore, Generalissimo considers the time ripe for President to initiate either of moves proposed above in order to nullify Japanese propaganda, remove Chinese popular apprehension, and strengthen morale.

⁸² On August 4 Dr. Currie replied: "Message received and transmitted to President who is on vacation."

⁸³ Vyacheslav Mikhailovich Molotov, Soviet Commissar for Foreign Affairs.

740.0011 Pacific War/460

*The British Embassy to the Department of State*⁸⁴COPY OF TELEGRAM FROM THE FOREIGN OFFICE TO THE BRITISH
EMBASSY IN WASHINGTON, DATED AUGUST 5TH

The question of giving assurance to Netherlands Government has been under prolonged consideration here and has been the subject of frequent approaches by Netherlands Government, more particularly in relation to recommendations of Singapore Conference.

2. When I saw Netherlands Minister on August 1st however, I said that as a result of recent consideration of the whole Far Eastern situation, I was in a position to tell him that His Majesty's Government deemed themselves already to have assumed the duty of safeguarding and restoring possessions and rights of the Netherlands to the best of their ability during the War and at peace. It followed therefore that an attack upon Netherlands East Indies would lead His Majesty's Government to do the utmost in their power, though His Majesty's Government must remain sole judge of what action or military measures were practicable and were likely to achieve common purpose. I added that of course much would depend on the attitude of the United States Government.

3. The Netherlands Minister expressed satisfaction that I had been able to speak in this sense, since our delay in giving any reply to Netherlands Government's approaches has begun to cause anxiety, particularly to Governor General of the Netherlands East Indies, who perhaps did not understand as well as the Netherlands Government in London the difficulties of our position.

740.0011 P. W./484

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] August 7, 1941.

The Minister of Australia called at his request. He had very little to discuss except to ask some minor questions. The only question of importance was as to what this country might be able to do in case Japan should start a war in the Pacific. I replied that what we might do depended on the situation of the British in their struggle against Hitler and the particular circumstances and conditions both in the Pacific and the Atlantic presenting themselves at the time; that circumstances change so rapidly these days I would not undertake to be very specific, and then I added that the Minister, of course, knew our

⁸⁴ Handed by the British Ambassador to the Secretary of State on August 9.

general state of mind and our general attitude toward the problems and contingencies in the Far East as well as in Europe.⁸⁵

C[ORDELL] H[ULL]

711.94/2175 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 7, 1941—4 p. m.
[Received August 7—11:40 a. m.]

1184. The Japanese⁸⁶ mentioned in Embassy's 943, July 6, 8 p. m.,⁸⁷ paragraph numbered 3, made the following statements in the course of a conversation with a member of my staff last evening. He has long been closely associated with his principal and therefore may reflect to a certain degree his principal's views.

1. The one hope for an adjustment of Japanese American relations lies in Premier Konoye. He exerts a strong stabilizing influence in the Government the younger officials of which are at the moment strongly anti-American. The staff of the Embassy in Washington badly needs strengthening. Ambassador Nomura is exceedingly able but has no competent advisers. It is astounding that Wakasugi could have made such a stupid remark to Acting Secretary Welles as his professed complete ignorance of Japan's intentions in French Indochina.

2. The Prime Minister is aware of the fact that Ambassador Grew would like to be able to see him personally in the way that Ambassador Nomura freely sees President Roosevelt. The real reason such interviews have not been accorded is the fear that they might not be kept secret since the Japanese authorities would, of course, know the contents of reports which the Embassy might send to Washington. Informant added, "I believe, however, that you do have one confidential code."

3. The informant's brother⁸⁸ in a telephone conversation from Berlin remarked that it was nonsense for the Japanese to believe that the German campaign in Russia is not progressing successfully. On the contrary, he insisted that the campaign was progressing exactly according to schedule and asked why Japan did not immediately attack Russia. Informant said it was his turn to reply "nonsense."

⁸⁵ The continuing interest of representatives of the British Commonwealth nations in the role of the United States in a Pacific war is indicated in a conversation of October 18 between the Secretary of State, the Australian Minister, and Sir Earle Page, Australian ex-Prime Minister; memorandum of conversation not printed (740.0011 P. W./579).

⁸⁶ Tomohiko Ushiba, private secretary to Prince Konoye.

⁸⁷ *Post*, p. 997.

⁸⁸ A Third Secretary of Embassy in Germany.

4. The most "dangerous" Cabinet (from the British and American standpoint) would be one headed by Matsuoka concurrently holding the portfolio of Foreign Minister. Informant remarked that the Embassy's interpretation of the recent Cabinet change had been accurate. He further remarked that the Foreign Office had received practically no telegrams from Oshima in Berlin since the new Cabinet had taken office, intimating that neither Oshima nor the Germans were pleased.

5. Informant said he believed Toyoda would welcome an opportunity to develop closer contact with me and that further conversation between us might be extremely valuable at this time.

GREW

894.002/472 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 15, 1941—4 p. m.

[Received August 15—8:48 a. m.]

1243. An official of the Foreign Office told a member of the Embassy staff that Hiranuma's⁸⁹ assailant was a member of a "radical" organization entitled the Mitsubikai and that the motive for the attack was undoubtedly resentment against Hiranuma's efforts to bring about an adjustment of Japanese-American relations.

GREW

711.94/2276

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁹⁰

[WASHINGTON,] August 15, 1941.

QUALITY AND VALUE OF PROMISES MADE BY THE JAPANESE FOREIGN OFFICE: AN ILLUSTRATION

There has been furnished during the past two weeks an excellent sample (example) of the quality and the mettle of Japan's diplomacy, a sample which is clearly indicative of the hazardous futility of placing any reliance upon a pledge given by Japan's diplomats that Japan will desist from pursuit of an objective to which the Japanese nation is committed (and to which we know that it is committed) and from employment of weapons and a procedure which they think serves them in the said pursuit of the said objective.

⁸⁹ Baron Kichiro Hiranuma, Japanese Vice Premier and Minister without Portfolio.

⁹⁰ Submitted to the Secretary of State and the Under Secretary of State and noted by them. Mr. Hornbeck suggested reading the title, first paragraph, and last 10 paragraphs, "with special attention to what appears on and after page 6" (namely, paragraph beginning "On August 14").

On July 30, according to our Naval Attaché at Chungking, 26 heavy Japanese bombers flew over Chungking and dropped bombs.⁹¹ Of the last bombs dropped one struck close to the stern of the U. S. S. *Tutuila*, and one struck behind the United States Embassy about 400 yards to the east. The bombing was witnessed by the American Military Attaché, the Assistant Military Attaché, and the Naval Attaché from the Embassy hill which immediately overlooked the *Tutuila*; and the unanimous opinion of these officers was that the bombing was a deliberate attack on the *Tutuila* and the Embassy which missed only by a split second.

On the morning of July 30 Mr. Welles called the Japanese Ambassador in and, stating that he was acting by direction of the President, handed him a copy of the Naval Attaché's report to read. Mr. Welles said that by direction of the President he desired to inquire through the Ambassador of the Japanese Government whether any responsible officials of the Japanese Government had authorized the bombing, and, further, he desired to inquire of the Japanese Government what measures, concrete and detailed, the Japanese Government proposed to take in order to prevent a further incident of this character.

The Ambassador asked Mr. Welles three or four times to repeat his inquiry until the Ambassador repeated it himself correctly.

Mr. Welles stated to the Ambassador that it was unnecessary to impress upon him, in view of the situation which unfortunately existed between the two countries, the importance of the reply which might be made by his Government to this message.

In cabling an account of the interview to Mr. Grew on the same day Mr. Welles instructed Mr. Grew to take the matter up urgently and with great emphasis with the Minister for Foreign Affairs.

On the evening of July 31 the Japanese Ambassador called to see Mr. Welles at the Ambassador's urgent request. As soon as he entered the room the Ambassador took out of his pocket a piece of paper and read a statement. Mr. Welles asked the Ambassador if he would be good enough to let him have the statement as an *aide-mémoire* of the declaration he had made. The Ambassador replied that he felt unable to give Mr. Welles this statement in writing but nevertheless would be glad if Mr. Welles would take notes from the statement. The Ambassador thereupon handed Mr. Welles the statement and Mr. Welles took notes therefrom. Mr. Welles' recorded account of the contents of the statement is as follows:

"The statement commenced to the effect that he was instructed by his Government to inform the President officially of the deep regret

⁹¹ See *Foreign Relations, Japan, 1931-1941*, vol. 1, pp. 719 ff.

of the Japanese Government because of the bombing of the U. S. S. *Tutuila* at Chungking.

"The Japanese Government desired to assure this Government that the bombing was an accident 'pure and simple'.

"In order to make sure that no further incident of this kind would take place, the Japanese Government 'has decided to suspend all bombing operations over the city area of Chungking'.

"The Japanese Government offers to pay full indemnity for any damage occasioned American properties immediately upon the completion of the necessary investigations.

"The Japanese Government requested that its decision with regard to the suspension of bombing operations over the city area of Chungking be regarded as strictly confidential.

"The statement likewise included the assertion in the name of the Ambassador himself that it was he himself who had recommended this procedure to the Japanese Government."

On August 8, 10 and 12, there have appeared in the press news dispatches from Chungking giving accounts of bombings by Japanese planes at and in the neighborhood of Chungking. On August 11 the American Ambassador at Chungking reported that Chungking had during the past four days been subjected to unusually heavy and prolonged air raids; and that not only districts outside of the city proper but also the city area had been repeatedly bombed although no bombs had been dropped in that part of the city area which is directly opposite the anchorage of the American gunboat and the location of the United States Embassy's chancery. News dispatches have indicated that at least one American residence was demolished and that there was bombing around another residence (that of the British Ambassador) which is everywhere known to be within the city. [On "city" see note at end].⁸²

The *New York Times* special representative at Chungking, in an article appearing on August 13, states that "The raids have almost isolated Chungking from the outside world. Nearly all passenger plane services have stopped. Radio and telegraph operations are difficult . . ." [Practically all important passenger communication between Chungking and the outside world is by plane.]⁸² The story goes on to say that the American Ambassador and most of the staffs of the United States and the British Embassies were over the weekend isolated from their offices. Also, that "The final raid was the fourteenth in five days." This same correspondent's report appearing on August 14 stated that squadron after squadron continued to bomb "Chungking and its suburbs", which had been under air alarm two-thirds of the time since Friday (August 8).

Mr. Gauss' report of August 11 states that "the outlying districts and *city area* have been repeatedly bombed."

⁸² Brackets appear in the original.

On August 14 the Secretary of State spoke to Admiral Nomura about this apparent disregard to a given pledge. The Secretary's memorandum of the conversation records that Admiral Nomura "very promptly replied" that the promise which he had conveyed to Mr. Welles was only that Japan would "temporarily" cease bombing the city area and not "indefinitely" and "that he thought he got that fact over to Mr. Welles but that he might have failed in his efforts to do so." The Secretary's memorandum concludes as follows: "at any rate he stood definitely on that contention and said that was the situation".

If Mr. Welles' demand on July 30 meant anything—and it surely had great meaning—it meant that this Government wanted of Japan a pledge of honest intention given in good faith and a performance that would demonstrate such intention and such faith. If the Japanese Government's implied promise given on July 31 in response to that demand meant anything of good faith and of honest performance it surely should not have been made—and should not now be made—to rest on a narrow technical construction of the expression "city area" [a construction upon which, indeed, the Japanese Ambassador has not relied]⁸³ and be expected to have binding force only for a *few days*. The Japanese Government surely would know that a pledge applying only to the narrowest possible area and honored only for a few days would not be honestly responsive to the demand which Mr. Welles made. Yet the Japanese gave an implied pledge, and Mr. Welles accepted the pledge given. True, the pledge was given orally and Japan asked that it be kept secret: it was a "gentleman's agreement". But by that exchange a serious "incident" was "closed". And then, within eight days, Japanese armed forces, both of the Navy and of the Army, were *bombing* Chungking (such bombing being a practice to which the United States Government has taken specific and emphatic and repeated exception) more intensively than ever; and thereafter, the Japanese Ambassador, in defending the action, states that Japan's promise was "temporarily" to refrain from such action: he "thought", he said, that he had made this clear to Mr. Welles but "he might have failed in his effort to do so."

Next there comes to us from Tokyo on August 14 a telegram reporting receipt by Ambassador Grew of a cryptic message from the Japanese Minister for Foreign Affairs delivered by the Director of the American Bureau to Mr. Dooman (Counselor of Embassy):

"One. It is unthinkable that the American Government would inform the Chungking Government of the assurance conveyed to the American Government through Admiral Nomura that Japanese forces would '*suspend* bombing of the area of the City of Chungking, which of course does not include its suburbs'. If, however, such informa-

⁸³ Brackets appear in the original.

tion should be conveyed to Chungking by any third party, and if the fact of the conveying of such information should become known in Japan, a 'very dangerous situation would arise.'

"Two. Mr. Terasaki declined to enlarge on the statement, except to say that we must be aware of the Japanese doctrine of the Imperial Command and that it is a serious thing for the Japanese Government to give to any foreign government an undertaking which would restrict freedom of operation of the Japanese armed forces."⁴

"Three. Mr. Terasaki requested with great emphasis that his statement be regarded as being of the most confidential character."

The whys and the wherefores and the meaning in general of this message, its bearer declined, Mr. Grew reports, to elucidate. Under all the circumstances, what other interpretation is there to be put upon that message than that it is intended as a warning to us, accompanied by a threat of a "very dangerous situation" against our giving either to the Chinese Government or to the public any information that the Japanese Government made us a promise and proceeded thereafter in complete disregard of the spirit, whether or not the letter, of that promise.

There comes to us today (August 15) a telegram from Mr. Grew as follows:

"All evening papers under large headlines print despatches from China announcing that since August 8 Japanese navy planes have bombed Chungking forty times, that until 10 a. m. today raids took place at intervals of three to four hours during a period of one hundred and fifty hours and that 1,000 planes were employed. The Chungking Government is described as on the 'eve of collapse'."

This throws light on the message account of which is given in the paragraphs next preceding: a message in which the Japanese Government demands that we keep silence and observe secrecy. It throws light on the whole transaction. The Japanese were alarmed at the time of the bombing of the *Tutuila*. Witness the haste with which their naval officers made apologies, at Chungking, in Tokyo, and in Washington. They rushed their making of a promise to the American Government. They obtained from us an acceptance of that promise and an assurance that we would not make the bombing of the *Tutuila* an issue. They then assembled extraordinarily large air forces (both of navy and of army) and they embarked upon an intensive and continuous bombing of Chungking. That bombing began on August 8. The American Government gave no indication of taking notice of it until August 14. At last the Japanese press boasts of the bombing and declares that it has practically put the Chungking

⁴ Pencil marginal notation by Dr. Hornbeck: "This sounds very much as though the F. O. had never authorized Nomura's statement, or, if it had, had later gotten into trouble about it with the Army and/or the Navy."

Government out of business. Simultaneously, the Japanese Foreign Minister warns the United States to say nothing (except perhaps to the Japanese Government) concerning what has happened as regards a promise given and broken. The Japanese Government has again been (1) testing us out, to see whether we mean business, and (2) through the agency of its army and navy trying to accomplish and produce, while we remain silent and inactive, a *fait accompli*, the smashing of the Chungking Government.

[NOTE: The terms "city" and "city area" need to be understood. To us, in ordinary parlance, a city extends to the point where suburbs begin. In ordinary parlance, the whole built-up city of London is the city; but among the British and especially among Londoners the term "the city" applies to a very small area in the very heart of the business section of London. To the Chinese or to the Japanese, "city area" at Chungking might mean either the area within the old walls or a small central business section. This might be equivalent to what we mean when we speak of the "downtown area". But nothing has been said by the Japanese Government to indicate that any such limited area was meant when Admiral Nomura said "city area"; and surely the American Government's expectation was not based on any such limited concept. Had it been so, the offered pledge should have been and doubtless would have been rejected at the outset.]⁹⁵ As for the "time" factor, the record speaks completely for itself.

S[TANLEY] K. H[ORNBECK]

711.94/2177

*Draft of Proposed Communication to the Japanese Ambassador
(Nomura)*⁹⁶

On July 24 last the President of the United States informed the Japanese Government through the Japanese Ambassador in Washington⁹⁷ that he was willing to suggest to the Governments of Great Britain, of The Netherlands and of China that they concur in a joint declaration that they had no aggressive intentions with regard to Indochina and that they would agree that the markets and raw materials of Indochina should be available to all Powers on equal terms. The President stated further that he would be willing to suggest to the Powers mentioned that they undertake this joint declaration, in which the United States would be willing to join, upon the understanding

⁹⁵ Brackets appear in the original.

⁹⁶ Dated August 15 and "brought to the Department by Mr. Welles following conference between the President and Mr. Winston Churchill", but "not given to the Japanese Ambassador".

⁹⁷ See memorandum by the Acting Secretary of State, July 24, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 527.

that the Government of Japan would be disposed to make a similar declaration and would be further disposed to withdraw its military and naval forces from Indochina.

Subsequently, the President of the United States informed the Government of Japan that the proposal which he had made should be regarded as being made extensive to Thailand as well.⁹⁸

The President has now been informed that the British Government is fully disposed to support the proposal made by the President.

On August 6 the Japanese Government informed the Government of the United States through the Secretary of State of a proposal which it proffered as a reply to the suggestion made by the President on July 24.⁹⁹

The proposal of the Japanese Government states in its first paragraph that the Japanese Government undertakes, provided the Government of the United States undertakes various steps set forth in the said proposal, that the Government of Japan, "will not further station its troops in the southwestern Pacific areas except French Indochina and that the Japanese troops now stationed in French Indochina will be withdrawn forthwith on the settlement of the China incident".

During past months the Governments of the United States and of Japan, through the Secretary of State and the Japanese Ambassador in Washington, have engaged in protracted conversations. These conversations had envisaged the ultimate reaching of agreements based upon certain principles and policies. The principles and policies which formed the basis for the conversations under reference were altogether at variance with the adoption by either Government of any measures involving military expansion on the part of either Power through the use of force or through the threat of force. Notwithstanding these facts, the Government of Japan has already occupied Indochina with its military, air and naval forces.

Nevertheless, in view of the statement made to the Secretary of State on August 6 by the Japanese Ambassador in Washington, that the Japanese Government is desirous of providing "a fresh basis for Japanese-American understanding upon which informal conversations have been carried on during the past months", and, although the Government of the United States finds it necessary to state clearly that various of the suggestions contained in the proposal of the Japanese Government of August 6 are totally unacceptable, it will be prepared to undertake informal conversations in the sense of this proposal upon the receipt of categorical assurances by the Government of Japan that it will undertake no further moves in the nature

⁹⁸ See memorandum of July 31, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 539.

⁹⁹ See memorandum of August 6, oral statement, and proposal, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 546, 548, and 549, respectively.

of military expansion or in the nature of an extension of Japanese influence through the use of force or through the threat of force in the Pacific so long as such conversations are in progress.

The Government of the United States cannot again undertake conversations of this character with the Government of Japan if the Japanese Government during continuation of such conversations undertakes a step such as that which it recently took with regard to Indochina.

Such assurances from the Government of Japan are regarded by the Government of the United States as an indispensable prerequisite to any discussion of the proposal made by the Japanese Government on August 6.

The Government of the United States shares the desire expressed by the Japanese Government that there be provided a fresh basis for Japanese-American understanding. Its patience in seeking an acceptable basis for such understanding has been demonstrated time and time again during recent years and notably so during recent months. It believes that only complete candor on its part at this moment will tend to further the objective sought.

The Government of the United States, therefore, finds it necessary to state to the Government of Japan that if the Japanese Government undertakes any further steps in pursuance of the policy of military domination through force or conquest in the Pacific region upon which it has apparently embarked, the United States Government will be forced to take immediately any and all steps of whatsoever character it deems necessary in its own security notwithstanding the possibility that such further steps on its part may result in conflict between the two countries.

[Mr. Joseph W. Ballantine in later years wrote two memoranda to the Secretary of State with respect to decisions reached at the Atlantic Conference in regard to relations with Japan and the implementation of those decisions. First, he wrote as follows (740.0011-Pacific War/2664 $\frac{1}{2}$):¹

[Washington,] July 3, 1942.

Mr. Secretary: With reference to the account by Forrest Davis and Ernest Lindley in the *Ladies' Home Journal* of the Atlantic Conference where it is stated that the President told Mr. Churchill that he could "baby the Japanese along", the facts as known to us on the basis of information communicated by Mr. Welles would appear to be as follows:

Mr. Churchill and the British Government desired ardently to avert war in the Pacific. The President and the American Government had the same desire. The British believed that the issuance

¹This memorandum was initialed by the Chief of the Division of Far Eastern Affairs (Hamilton).

of a stern warning to Japan (whether the British advocated publicity I do not know) would be very likely to cause Japan not to proceed with further aggression in the Pacific. The President did not share the British confidence that the giving of a stern warning would produce the desired effect. The President considered that a public warning would be likely to precipitate further Japanese aggression rather than to discourage it. Taking into account these various considerations, with the common denominator that both desired to avert, if possible, war in the Pacific and, if that could not be done, to have as much time as could be obtained to strengthen their defensive positions, the President and Mr. Churchill agreed that each Government should separately inform the Japanese Government that further movements of aggression on Japan's part would cause the American Government and the British Government, respectively, to take such measures as might be deemed necessary to safeguard the interests of each country; also, that the American Government would, in response to the request already made of it by the Japanese Government, be prepared to resume the informal conversations with the Japanese Government directed toward exploring all possibilities of finding a peaceful adjustment of the entire Pacific situation.

Mr. Welles brought with him from the Atlantic Conference a draft of the proposed communication to the Japanese Ambassador, a copy of which is attached.² This draft was considered by the Secretary and other officers of the Department in a meeting in the Secretary's office. On the basis of the discussion at the meeting in the Secretary's office it was decided to recommend to the President that he hand to the Japanese Ambassador two documents, one containing a statement designed to make it unmistakably clear to the Japanese, although in a manner which could not well be exploited by the extremists in Japan in their agitation for a program of unlimited aggression, that we could not be expected to remain passive in the presence of a continued expansion of Japanese aggression. The wording of the draft brought back by Mr. Welles was somewhat modified to accord with the foregoing purpose. In the other document there was discussed in a more expanded form than contained in the draft brought back by Mr. Welles the conditions under which this Government would be willing to resume conversations with the Japanese. A copy of the memorandum of conversation which the President and the Secretary had with the Japanese Ambassador on August 17 is attached.³ There is embodied in this memorandum the text of the two communications delivered to the Japanese Ambassador by the President.⁴

At the meeting in the Secretary's office in which the draft brought by Mr. Welles from the Atlantic Conference was considered, there was discussed the question of what action this Government would be in position to take in the event that the Japanese failed to heed what we might say to them. This point was deemed especially cogent by the Secretary in view of statements to him by our naval authorities revealing an attitude on their part that we needed more time to prepare and that our armed forces would in the event of armed action by Japan make dispositions for defensive warfare.

² *Supra.*

³ *Foreign Relations, Japan, 1931-1941, vol. II, p. 554.*

⁴ *Ibid.*, pp. 556 and 557.

There is attached also a copy of the account of the informal conversations with the Japanese.⁵ Beginning on page 27, last line, (as indicated by a blue slip) and going through to the top of page 30 of that account,⁶ there are described the developments relating to the delivery to the Japanese Ambassador of the communications under reference.

The Davis-Lindley account in the *Ladies' Home Journal*, especially the statement that the President told Mr. Churchill that he (the President) could "baby the Japanese along" is not in accordance with our understanding of the facts, and calls into question the good faith of this Government in carrying on conversations with the Japanese. An accurate version of the matter may be briefly stated, as follows:

In entering into the conversations with the Japanese this Government realized that the prospects of success were very slight. This Government, however, was actuated by a sincere desire to bring about a peaceful, fair and progressive settlement of the situation throughout the Pacific area. This desire was entirely consistent with the traditional belief of the American people. It was also consistent with the need of having as much time as possible to build up the defensive preparations of the United States which were vital not only to this country but to many other countries resisting aggression. It was not until the middle of November when Mr. Kurusu arrived and when it became apparent that he brought no new proposals and that Japan would not budge from the fundamental tenets of its military leaders, which included insistence (a) upon fulfillment of Japan's obligations under the Tripartite Pact—a direct threat to this country—(b) upon continuing to maintain Japanese armed forces in large areas of China for an indefinite period, and (c) upon retaining a special economic position in China as well as elsewhere in the western Pacific area, that it became evident that it was illusory to expect that arrival at a general agreement would be possible. This became even more clear when we received the Japanese proposal of November 20.⁷ It was not until about this period that the President, according to our recollection, spoke of "babying the Japanese along."

Second, as Deputy Director of the Office of Far Eastern Affairs, Mr. Ballantine wrote the Secretary of State as follows (711.932/-6-1244):

[Washington,] June 12, 1944.

Mr. Secretary: With reference to the circumstances leading to the delivery by the President to the Japanese Ambassador on August 17 [1941] of a warning that if the Japanese Government took any further steps in pursuance of a program of domination by force or threat of force of neighboring countries this Government would be compelled to take any and all steps necessary toward safeguarding its legitimate rights and interests and toward insuring the security of the United States, it will be recalled that on August 15 Mr. Welles returned to Washington from the Atlantic Conference and handed you a draft

⁵ Dated May 19, 1942, *Foreign Relations*, Japan, 1931-1941, vol. II, pp. 325-386.

⁶ See paragraph numbered 24, *ibid.*, pp. 345-346.

⁷ *Foreign Relations*, Japan, 1931-1941, vol. II, p. 755.

of a document which he said had been agreed upon by the President and Mr. Churchill as a statement which should be made to the Japanese. A copy of this draft is attached.

The draft was discussed on the same day by you with your Far Eastern advisers and they concurred with you in your immediate reaction that the draft needed toning down. On the following day a redraft was prepared but even this was thought to be too strong unless balanced by some more friendly gesture. Accordingly it was decided to suggest to the President upon his return on August 17 that he receive the Japanese Ambassador and deliver to him two communications, one of which would contain a warning and the other, in the nature of an olive branch, would inform him that this Government would be prepared to continue its conversations with the Japanese Government and by such means to offer Japan a reasonable and just alternative to the course upon which Japan was engaged.

There is no record in the Department of any written advance communication being made to the President to this effect. My recollection is that you saw the President on Sunday, August 17, and that before seeing the President I brought up to you at your apartment the two communications which we had drafted for the President. The President approved of this procedure and on the same day he received the Ambassador in company with you. The memorandum of the conversation at the White House on this occasion is recorded on pages 554 and 555 of Volume II, *Foreign Relations of the United States—Japan—1931—1941*. The two statements delivered to the Japanese Ambassador on that occasion appear on pages 556 and 557 respectively.

It will be noted that there is a considerable difference in tone between the draft which Mr. Welles presented to you on August 15 and the papers which were actually handed to the Japanese Ambassador. This is especially marked in the last paragraph of Mr. Welles' draft and the corresponding paragraph in the communication delivered. These two paragraphs are set forth in parallel columns for your convenience of reference.

MR. WELLES' DRAFT

The Government of the United States, therefore, finds it necessary to state to the Government of Japan that if the Japanese Government undertakes any further steps in pursuance of the policy of military domination through force or conquest in the Pacific region upon which it has apparently embarked, the United States Government will be forced to take immediately any and all steps of whatsoever character it deems necessary in its own security notwithstanding the possibility that such further steps on its part may result in conflict between the two countries.

COMMUNICATION DELIVERED

Such being the case, this Government now finds it necessary to say to the Government of Japan that if the Japanese Government takes any further steps in pursuance of a policy or program of military domination by force or threat of force of neighboring countries, the Government of the United States will be compelled to take immediately any and all steps which it may deem necessary toward safeguarding the legitimate rights and interests of the United States and American nationals and toward insuring the safety and security of the United States.

As a consequence of the manner in which this matter was handled, in pursuance of your advice to the President, there resulted a resumption of the conversations, which would not be likely to have been the case if the matter had been handled merely by a communication to the Japanese along the lines of Mr. Welles' draft.

On June 12, 1944, Dr. Stanley K. Hornbeck, then Special Assistant to the Secretary of State, wrote as follows (711.932/6-1244) :

"When, on Friday, August 15, 1941, Mr. Welles brought in a draft of a proposed statement to the Japanese, he said that it had been agreed at the meeting in the Atlantic that the American and the British Governments would both say to the Japanese substantially what appeared in the last paragraph of that draft.

"What thereupon took place, together with what was done on August 15, 16 and 17 with regard to this matter is briefly outlined in Mr. Ballantine's memorandum. On each of the three days there was discussion and drafting and redrafting. The original draft was toned down and was made sufficiently comprehensive to show that the American Government was not condoning or giving assent to continuation of Japan's aggression against China or the launching of Japanese aggression against the Soviet Union; and a second communication was prepared to go along with that communication when delivered.

"On Sunday morning final touches were put on both drafts; Mr. Ballantine went with both to the Secretary's residence shortly before lunch; Mr. Ballantine telephoned me at about one o'clock with regard to some points of phraseology; the two drafts were then approved and adopted by the Secretary; and after luncheon the Secretary went with them to the White House, where there followed a conversation to which the President, the Secretary of State, the Japanese Ambassador Admiral Nomura were parties (of which the Secretary made a memorandum under date August 17)."]

711.94/2340

The Ambassador in Japan (Grew) to the Secretary of State

No. 5788

TOKYO, August 15, 1941.

[Received October 2.]

SIR: I have the honor to enclose, in translation, a copy of an editorial * from the *Yomiuri Shimbun* of July 28, 1941, entitled "Ambassador Nomura Endowed with Likable Personality" in which my name is incidentally mentioned.

It is encouraging in these days occasionally to find in a generally antagonistic press an article such as this and I am transmitting it to

* Not printed.

the Department merely with the thought that it suggests the desire still existing in Japan for a diplomatic adjustment of Japanese-American relations.⁹

Respectfully yours,

JOSEPH C. GREW

740.0011 European War 1939/14591

*The Chinese Embassy to the Department of State*¹⁰

STATEMENT BY DR. QUO TAI-CHI, MINISTER OF FOREIGN AFFAIRS,
CHUNGKING, AUGUST 18, 1941

"The Chinese Government and people whole-heartedly welcome and endorse the joint declaration of President Roosevelt and Prime Minister Churchill¹¹ on the fundamental aims of the democratic Powers in resistance to aggression, and the aspirations of all peaceful and freedom-loving peoples including the peoples in the Axis countries themselves for a real new world order. China feels all the more gratified inasmuch as the Eight-Point Program is essentially in harmony with the principles of the Kuomintang and its founder's advocacy of a 'great commonwealth of nations'.

"The post-war world reconstruction will constitute a task even more difficult than that of winning the war itself. Restoration of freedom to the conquered peoples, full economic collaboration between all nations in the enjoyment of access, on equal terms, to trade and raw materials, in the advancement of living standards, and the establishment of a permanent system of general security will require the supreme efforts and resolute statesmanship of the democracies and their leaders. In this task China is prepared to make full contribution just as she has, for the past four years, made untold sacrifices of her manpower and national resources toward the democratic cause and continues to play her essential part in the world-wide conflict. China believes that the final destruction of the forces of aggression can be most swiftly achieved by first bringing about the defeat of Japan through tightening the 'encirclement' of which she herself is the sole architect."

WASHINGTON, August 18, 1941.

⁹ The editorial said, in part: "Whatever situation may arise between the United States and Japan in their diplomatic relations, no one will entertain any enmity against Ambassador Nomura individually. The same may be said of the Honorable Joseph Clark Grew, American Ambassador to Japan, who like Ambassador Nomura is endowed with an admirable character and whose general personality is so dignified and refined as to cause everyone to love and respect him."

¹⁰ Handed to the Secretary of State by the Chinese Ambassador on August 19; for memorandum of the conversation between the Secretary and the Ambassador on that date, see vol. v, p. 708.

¹¹ For "Atlantic Charter" declaration of August 14, see Department of State *Bulletin*, December 16, 1941, p. 125.

711.94/2180 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 18, 1941—8 p. m.
 [Received August 18—9:35 a. m.]

1266. For the Secretary and Under Secretary only. I am preparing a long telegram to be sent to you this evening¹² reporting a conversation of two and a half hours with the Foreign Minister this afternoon in which an important proposal is set forth. This proposal is to be communicated to the President by the Japanese Ambassador in Washington. It is important that pending receipt and consideration of the proposal any contemplated further economic measures against Japan should if possible be held in abeyance.

GREW

711.94/2180 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 18, 1941—6 p. m.

512. For the Ambassador and the Counselor only. Your 1266, August 18, 8 p. m. On August 17 the President sent for the Japanese Ambassador and I was present when the President received him.¹³ The President referred to the exploratory conversations which I had been holding with the Japanese Ambassador, to the President's proposal of July 24 in regard to Indochina,¹⁴ to the fact that Japan has continued to pursue its movement of conquest, to the desire expressed by the Japanese Government that there be provided a fresh basis for amicable and mutually profitable relations between our two countries, and to the patient course toward Japan which this Government had followed. The President then went on to say that if the Japanese Government takes any further steps in pursuance of a program or policy of military domination of neighboring countries by force or threat of force, this Government would be immediately compelled to take whatever steps might be necessary toward safeguarding its legitimate interests and rights and those of American nationals and toward insuring the security and safety of the United States.

The Ambassador was given a written record of this oral statement.¹⁵

¹² Telegram No. 1268, August 18, 1941, 10 p. m., *Foreign Relations*, Japan, 1931-1941, vol. II, p. 565; see also memorandum of August 18, by the Ambassador in Japan, *ibid.*, p. 560.

¹³ See memorandum by the Secretary of State, August 17, 1941, *ibid.*, p. 554.

¹⁴ See memorandum by the Acting Secretary of State, July 24, 1941, *ibid.*, p. 527.

¹⁵ *Ibid.*, p. 556.

The Japanese Ambassador then made reference to the question which he had raised on August 8 with me¹⁶ in regard to the possibility of the heads of the Japanese Government and the Government of the United States meeting with a view to discussing possible means of adjusting relations between the two countries and to the desire expressed by the Japanese Ambassador to me on the previous day for a resumption of the informal conversations which had been in progress between the two Governments. The President then reminded the Ambassador of what I had said previously to the Ambassador, as described to you in the Department's telegram no. 488, August 9, 2 p. m.,¹⁷ and previous telegrams, and especially the fact that the Ambassador had been informed that in the opinion of this Government the measures being taken by the Japanese Government had served to remove the basis for further conversations in regard to a peaceful settlement in the Pacific region. The President dwelt on the fact that those informal discussions naturally envisaged the working out of a progressive program by peaceful methods and that under such program Japan would, in the opinion of this Government, attain all the objectives which Japan affirmed it was seeking with much more certainty than under any other program.

The President then said that if the Japanese Government feels that Japan desired and was in position to suspend its expansionist activities and to embark upon a peaceful program along the lines of the policies to which this Government was committed, the Government of the United States would be prepared to consider resumption of the informal exploratory discussions and to endeavor to arrange a suitable time and place for an exchange of views. He suggested also that it would be helpful to both Governments before undertaking a resumption of such conversations if the Japanese Government would furnish a clearer indication than has yet been given as to its present attitude and plans, just as this Government has repeatedly outlined to the Japanese Government its attitude and plans. The Ambassador was given a written record of this statement.¹⁸

The Ambassador said that he would communicate to his Government what the President had said.

HULL

¹⁶ See memorandum of August 8, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 550.

¹⁷ No. 488 not printed, but see memoranda dated August 6-8, 1941, *ibid.*, pp. 546-553.

¹⁸ *Ibid.*, p. 557.

711.94/2182a : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)* ²⁰

WASHINGTON, August 18, 1941—8 p. m.

3208. From the President for Churchill. "With reference to our discussions in regard to the situation in the Far East, upon my return to Washington I learned that the Japanese Ambassador had on August 16 approached the Secretary of State ²¹ with a request for a resumption of the informal conversations which the Ambassador and the Secretary of State had been holding directed toward exploring the possibility of reaching a basis for negotiations in regard to a peaceful settlement in the Pacific area and that the Secretary of State had in reply confined himself to repeating what he had previously said in regard to the developments in Japan's course of conquest which had led to the cessation of those conversations.

On August 17 I sent for the Japanese Ambassador, and the Secretary of State and I received him. I made to him a statement covering the position of this Government with respect to the taking by Japan of further steps in the direction of military domination by force along the lines of the proposed statement such as you and I had discussed. The statement I made to him was no less vigorous than and was substantially similar to the statement we had discussed.

The Ambassador renewed the request made by him to the Secretary of State in regard to the resumption of conversations. I replied by reviewing the Japanese Government's action in actively pursuing a course of conquest and in inspiring the Japanese press to attack this Government. I dwelt on the principles of peaceful, lawful and just international relations which this Government has emphasized and I suggested that if the Japanese Government is prepared to readjust its position and embark upon a peaceful program this Government would be prepared to resume the exploratory conversations and that before undertaking the resumption of those conversations we felt that it would be helpful to have a clear statement of the Japanese Government's attitude and plans.

The Japanese Ambassador said that he would communicate what I had told him to his Government. Roosevelt."

HULL

²⁰ The Secretary of State on August 18 submitted the draft of this telegram to President Roosevelt for approval and received a reply: "OK FDR".

²¹ See memorandum by the Secretary of State, August 16, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 553.

711.94/2182 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, August 18, 1941—9 p. m.
 [Received August 18—6:30 p. m.]

1267. For the Secretary and Under Secretary only. The importance of holding in strictest secrecy the proposal of the Foreign Minister conveyed in my immediately following telegram ²² cannot be too strongly stressed. The Minister expressed the gravest concern at the possibility of leakage, particularly he said "to the Germans or Italians". It was made clear that in case the Japanese Government's proposal should prematurely leak it would almost certainly "be torpedoed" by elements in Japan.

If it should be considered unavoidable that the proposal be confided to the British Ambassador in Washington, I strongly urge that he undertake to repeat it exclusively to London for the most limited circulation and that London be asked not to repeat it as is customary to the British Embassy in Tokyo.

GREW

711.94/2182b : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 19, 1941—noon.

3219. Reference Department's 3208, August 18, 8 p. m. Please inform the Prime Minister that the Japanese Ambassador in his interview with the President on August 17 made reference to a question which he had raised previously with me in regard to a meeting between the heads of the Japanese Government and the Government of the United States. The Japanese Government has now requested that this proposal be held in strict confidence. Under the circumstances please convey to the Prime Minister a request that the President's message to the Prime Minister as contained in the telegram under reference be held in strictest confidence and that it not be communicated, for the time being and until further word from this Government, to British diplomatic missions abroad including the British Embassy at Tokyo.²³

HULL

²² Telegram No. 1268, August 18, 1941, 10 p. m., *Foreign Relations, Japan, 1931-1941*, vol. II, p. 565; see also memorandum of August 18, 1941, by the Ambassador in Japan, *ibid.*, p. 560.

²³ A similar request for secrecy was conveyed to the British Embassy in regard to the same subject (711.94/2184).

711.94/2244₁: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, August 19, 1941—3 p. m.
[Received August 19—11:40 a. m.]

1271. For the Secretary and Under Secretary only. My 1268, August 18, 10 p. m.²⁴

1. In weighing Prince Konoye's proposal to meet the President in Honolulu it is important to appraise as well as we can the full significance of the gesture. First of all, it shows a remarkable degree of courage because, if the proposal should become prematurely known, or, if taking place, the meeting should fail to achieve its purpose, it would in all probability lead to further attempted assassinations. Secondly, it reveals a supreme effort on the part of the Government to maintain peace with the United States in the full knowledge that the proposed meeting with the President would be utterly futile unless the Japanese Government were prepared to make concessions of a far-reaching character. Thirdly, it indicates a determination on the part of the Government to surmount extremist dictation.

2. It may also be true that the Government has been driven to this unprecedented step in the knowledge that Japan is nearing the end of her tether economically and that the nation could not survive a war with the United States. On the other hand, even if Japan were approaching economic disaster of the first magnitude, there can be no doubt whatever that the Government would reluctantly but resolutely face such disaster rather than cede in the face of progressive pressure exerted by any other nation.

3. The proposal of a Japanese Prime Minister to proceed to foreign soil to negotiate with a foreign chief of state (while such a step, if undertaken, will be regarded by many elements in Japan as humiliating and if unsuccessful would in all probability mean the downfall of the Government) should, in my opinion, be regarded less as the despairing play of a last card than as an act of the highest statesmanship. If viewed in that light it deserves to be met with magnanimity, and the Prime Minister deserves whatever support we can properly accord him in his courageous determination to override the extremists and to sacrifice if necessary not only his political life and that of the Government, but his own life as well.

4. In considering what Japan might be willing to offer to meet the position of the United States there is little doubt but that the Prime Minister in the first instance would appeal for American cooperation

²⁴ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 565.

in bringing the China affair to a close and would probably be prepared to give far-reaching undertakings in that connection, involving also the eventual withdrawal of Japanese forces from Indochina. A certain remark made to me by the Foreign Minister as reported in my 1267, August 18, 9 p. m. leads me to believe that the Japanese Government would expect that one of the primary conditions to be laid down by the American Government for an adjustment of American-Japanese relations would be Japan's withdrawal in fact, if not also in name, from the Axis.

5. The time element is important because the rapid acceleration given by recent American economic measures to the deterioration of Japan's economic life will tend progressively to weaken rather than to strengthen the moderate elements in the country and the hand of the present Cabinet and to reinforce the extremists.

6. The most important aspect of the proposed meeting is that even although the results ensuing therefrom might be not wholly favorable and at best, gradual in materializing, it offers a definite opportunity to prevent the situation in the Far East from getting rapidly worse and for at least arresting the present increasing momentum toward a head-on clash between Japan and the United States. This desideratum alone would seem to justify acceptance of the Japanese proposal in some form or other. It is not in my sphere to evaluate the domestic political reaction to such a meeting, but it would seem to me to carry momentous possibilities in the particular field of international relations.

7. Finally, we must accept almost as a mathematical certainty the thought that if this outstanding and probably final gesture on the part of the Japanese Government should fail, either by rejection of this proposal in any form or by the meeting, if held, proving abortive, the alternative would be an eventual reconstruction or replacement of the present Cabinet with a view to placing the future destiny of the nation in the hands of the army and navy for an all-out do-or-die effort to extend Japan's hegemony over all of "Greater East Asia" entailing the inevitability of war with the United States.

GREW

740.0011 European War 1939/14154 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, August 19, 1941—4 p. m.

[Received August 20—10 a. m.]

358. Chinese reaction to Roosevelt-Churchill statement. The press services on August 17 carried statement by the Foreign Minister

in which he welcomed the joint declaration, states its agreement with the principles of the Kuomintang, pledged China's assistance in the post-war reconstruction and concluded that China believed that the destruction of the forces of aggression can be most swiftly achieved by first bringing about the defeat of Japan.

On August 18 T. F. Tsiang, Secretary General of the Executive Yuan, as the spokesman of the Chinese Government at a press conference for foreign correspondents said *inter alia* that although Japan is not named and Nazi tyranny is mentioned only in point 6, it is unmistakable that the statement is applicable to the whole world, that all conflicts now raging are parts of one war and there must therefore be one program for world reconstruction, that special importance is to be given to points regarding new territorial changes, rights of peoples to choose own form of government and free enjoyment of trade and access to raw materials, that realization of the program calls for sacrifices by the democracies and that China is prepared to make her full contribution.

Statement and its implications has been widely discussed in editorials of all leading papers since August 16. All have praised the principles enunciated. At the same time all have remarked the absence of direct mention of Japan but have agreed that since statement is unlimited in scope Japan is to be considered as included. Most call for close cooperation between China, Russia, Britain and United States with direct military action against Japan as the most pressing need. Views of representative papers are as follows:

[Here follows report on press views.]

GAUSS

711.94/2244.7

Memorandum by the Adviser on Political Relations (Hornbeck) ²⁵

[WASHINGTON,] August 21, 1941.

Reference, Tokyo's telegrams 1268, August 18, 10 p. m.,²⁶ and 1271, August 19, 3 p. m. These telegrams contain Mr. Grew's report on a conversation between him and the Japanese Minister for Foreign Affairs, at the M. F. A.'s request, on August 18 and comments thereon and recommendations by Mr. Grew himself.

At the outset, Mr. Grew stresses "the prime importance of secrecy". He then states that previous to the meeting the Chief of the American Bureau of the Foreign Office had told Mr. Dooman that "high hopes

²⁵ Noted by the Secretary of State.

²⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 565; see also memorandum of August 18, *ibid.*, p. 560.

were being held in all influential quarters [*sic*] ²⁷ with regard to the outcome of today's and possibly future conversations in the belief that they might eventually bring about a satisfactory adjustment of American-Japanese relations"; that Japan was ready to respond to any action [*sic*] by the United States intended to bring the conflict in the Far East to an end; but that Japan "would under no circumstances give in to any form of pressure". [The Japanese had set the stage well.]

Next, Mr. Grew gives account of preliminary exchanges between the M. F. A. and himself. Then, he makes certain observations in anticipatory comment and reports the substance of the M. F. A.'s "oral statement." The M. F. A.'s oral statement ran to the effect that the stationing of Japanese armed forces in Indochina had been "a peaceful and protective measure adopted for the purpose of bringing an end to the hostilities in China"; that notwithstanding Japan's assurances, the American Government had adopted an economic measure against Japan which had brought our two countries very near to a complete rupture of economic relations and had left a big black spot on the long history of peaceful relations between our two countries; that the Japanese people were greatly aroused; that the Japanese Government had sent a reply to the President's proposal of July 24 which reply "had been drafted with a view to meeting the intentions of the United States Government"; that the American Government had replied reiterating the substance of the President's proposal and the Minister regretted that "too little importance was attached in the American reply to the intention and efforts of the Japanese Government to comply so far as possible with the proposal of the President"; that the China affair is the obstacle to peace in the Far East and that "since the United States desires [*sic*] peace in the Far East it is the hope of the Japanese Government that the United States will cooperate to bring about the termination of the China affair"; that "in the present crisis both Japan and the United States must do their duty as saviours of the world"; that "as a result of misunderstanding [*sic*] between our two countries and maneuvering by third powers . . .²⁸ present relations between our two countries have become extremely strained and if we [*sic*] should fail to take steps to prevent them from becoming worse it would lead to a most critical situation"; that in the M. F. A.'s opinion "the only way to prevent this critical situation from arising is that there should be a direct meeting between the responsible people of both countries so that they might clarify their true intentions toward each other and study the possibility of curing

²⁷ Brackets throughout this document appear in the original.

²⁸ Omissions throughout this document are indicated in the original.

the present situation by examining methods which will contribute toward the peace of the world and mankind"; that the M. F. A. felt that it would be highly desirable if the President would consent to meet Prince Konoye in Honolulu and to talk personally with him there; that there is "no precedent in Japanese history for the Prime Minister's going abroad"; that Prince Konoye is fully aware of the objections that will be raised by certain elements in Japan; that it is the M. F. A.'s firm belief that "the President will be in harmony with him and will give his consent to the Japanese Government's proposal"; that the M. F. A. firmly believes that such conversations "conducted from a broad-minded point of view . . . will lead to agreement on the general question of Japanese-American relations"; that it is most desirable that various measures of economic pressure against Japan be immediately stopped or greatly moderated and in this respect the Japanese Government is, of course, ready to reciprocate at once; and that secrecy is of great importance "as it is not difficult to imagine what would happen if the proposal should leak out prematurely."

Mr. Grew then, in his 1271, states that "it is important to appraise . . . the full significance of the gesture"; first, "it shows a remarkable degree of courage"; second, "it reveals a supreme effort" on the part of the Japanese Government and implies that "the Japanese Government were prepared to make concessions of a far-reaching character" [?]; third, "it indicates a determination on the part of the Japanese Government to surmount extremist dictation" [?]. This "unprecedented step" should "be regarded less as the despairing play of a last card [toward avoiding an economic disaster, if threatened] than as an act of the highest statesmanship"; and "if viewed in that light it deserves to be met with magnanimity, and the Prime Minister deserves whatever support we can properly accord him" in this hazardous (to him) effort. In the light of a remark made by the M. F. A., Mr. Grew is led "to believe that the Japanese Government would expect that one of the primary conditions to be laid down by the American Government . . . would be with Japan's withdrawal in fact . . . from the Axis." The time element is important toward avoiding weakening of the moderate elements in Japan and reinforcing the extremists. "The most important aspect of the proposed meeting is that . . . it offers a definite opportunity . . . for at least arresting the present increasing momentum toward a head-on clash between Japan and the United States." "Finally, we must accept almost as a mathematical certainty [?] the thought that if this outstanding and probably final [?] gesture on the part of the Japanese Government should fail . . . the alternative would be an eventual reconstruction or replacement of the present Cabinet [? How many times we have heard this during recent years.] with a view to placing the future destiny of the Japa-

nese nation in the hands of the Army and Navy for an all-out do-or-die effort to extend Japan's hegemony over all of 'Greater East Asia' entailing the inevitability of war with the United States [?]."

At the very time when the Japanese Government was formulating this proposal, that Government was refusing to authorize departure from Japan of American nationals who were prepared to leave and whom we were prepared to take out on the S. S. *President Coolidge*.³⁴ Yet, we are told, the American Government must not do anything which would provoke the Japanese lest our doing of such things interfere with the chance of there being consummated an agreement between the United States and Japan. Query: Which of the two countries most needs, wants and asks for an agreement, and to which of the two countries would the consummation of an agreement be of greater value?

Comment

Decision with regard to this matter should be made contingent upon there first having been arrived at between the two Governments a "meeting of the minds". In the case of the meeting of the President and the British Prime Minister, a meeting of the minds had long before been arrived at as regards community of objectives. In discussions with the Japanese of the present proposal, conditions should be laid down along the lines of those sketched in Mr. Welles' draft of August 16.³⁵ It should, it is believed, be indicated to the Japanese that it will be possible for this Government to give favorable consideration to this proposal only if the Japanese authorities give evidence, by a suspension of offensive military operations, of a desire to have and to maintain peace with order and justice. It would, in my opinion, be not unreasonable for us to ask that this suspension of offensive military operations include suspension of unprovoked bombing of cities, et cetera, in China.

S[TANLEY] K. H[ORNBECK]

711.94/2177½

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] August 21, 1941.

Reference FE's memorandum dated [August] 13 entitled "Retaliation Against Recent Japanese Acts",³⁶ especially the summary on page 13.

³⁴ See also vol. v, pp. 397 ff.

³⁵ Apparently a revised draft of the document of August 15, p. 370. A revised draft dated August 16, but not initialed, is in FE Files, Lot 244.

³⁶ Not printed, but see memorandum to the Japanese Embassy, *Foreign Relations, Japan, 1931-1941*, vol. I, p. 908.

American rights, interests, persons, et cetera in the Far East are being abused by Japanese authorities and/or agents; responsible Japanese officials are threatening to make, in certain eventualities, war upon the United States; responsible Japanese officials are intimating that a carrying-on of certain commerce between the United States and the Soviet Union may be regarded by Japan as a serious offense against Japan.

In practically every recommendation which comes out of FE in regard to suggested policy *action*, as distinguished from diplomatic *protests*, designed to protect or maintain American interests vis-à-vis Japan, FE takes the position that the action under consideration is one which, if taken, might arouse the ire of some Japanese or cause Japan to become more aggressive and that, therefore, the said action should *not* be taken; except that some recommendations come that action (usually in the nature of an attempt to persuade the Japanese Government by reason or by an agreement of some kind) should be taken in cases where the action under consideration is one which, if taken, might tend to please Japan.

Query: With due consideration of what is stated in the first substantive paragraph above, it would be interesting and valuable to know what are FE's fundamental views regarding the following questions:

1. Should we indefinitely observe and tolerate abuse of American rights, interests, persons, et cetera, in the Far East by Japan without action on this country's part beyond diplomatic protest et cetera and imposition of limited "economic sanctions"? Or,

2. Should we make a clean sweep of American rights, interests, and persons from the Far East, especially China and Japan: a procedure of withdrawal and abandonment?

3. If the answers to these questions are in the negative, what has FE proposed or what, if anything, does FE now propose as an alternative to non-action on the part of the United States or to reliance by the United States upon executory assurances and promises given by the Japanese: i. e., what does FE suggest (*a*) in general and (*b*) in particular *toward protecting* American rights, interests and persons and *toward maintenance* of this country's position in the Far East (as distinguished from process of executory agreements and/or mere turning of the other cheek—with soft answers—and/or withdrawal and abandonment)?

CHAPTER IV: AUGUST 21-OCTOBER 2, 1941

Netherlands inquiry as to military cooperation in Pacific (August 21); Prime Minister Churchill's broadcast of August 24; Secretary Hull's counsel in regard to proposed British "ultimatum" to Japan (August 30); Ambassador Grew's plea for gesture by President Roosevelt to Japanese people (August 30); Secretary Hull's reassurance to China (September 2, 4) and review of disagreement in conversations with Japan (September 4, 9); Secretary Hull's review of policy for French Ambassador (September 16); Ambassador Grew's recommendation against delay in conversations (September 19); receipt of Japanese "basic peace terms" for China (September 23); President Roosevelt's views on September 28; Ambassador Grew's telegram favoring acceptance of Prince Konoye's offer to meet President Roosevelt (September 29)

740.0011 Pacific War/480

*The Netherlands Minister (Loudon) to the Secretary of State*³⁷

WASHINGTON, August 21, 1941.

SIR: During the past months conversations between military experts of the Netherlands East Indies and the United Kingdom have taken place in Singapore. Military authorities of the United States took part in these conversations, object of which was a study of the measures that could be taken by the military forces of these nations in case of aggression by a fourth Power.

The parley elaborated some definite projects to which Her Majesty's Government is willing to adhere.

I have the honor to inform Your Excellency that the Netherlands Government is anxious to learn whether the United States Government intends to adopt the same attitude.

Please accept [etc.]

A. LOUDON

740.0011 P. W./465: Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, August 21, 1941—3 p. m.

[Received August 22—7:22 a. m.]

Following is confidential and is extracted and summarized from a letter to his trustee[s] dated yesterday by the person³⁸ mentioned in my July 15, 2 p. m. to Chungking.³⁹

³⁷ Handed on August 21 to the Under Secretary of State (Welles) by Dr. Loudon. Mr. Welles replied that the Government's decision in the matter would be given in due course.

³⁸ Dr. John Leighton Stuart, American president of Yenching University, at Peiping.

³⁹ *Ante*, p. 322.

All indications are that there was violent difference of opinion in Tokyo whether (1), to accede to German wishes for further southward advance or attack Soviet or (2), to neutralize as best they can the growing American-British "menace". Resolute action against Japanese aggression continues to be the best method of keeping United States out of Pacific war now or later, especially if action taken can be brought to attention of Japan's masses, and thus correct the Japanese illusions of American political ineptitude, bluff and fear of war. It is necessary that we should be inexorable in declaring our intentions and putting them into action. Following up announcement of willingness to abolish extraterritoriality, suggestion is advanced that we announce our readiness to withdraw all our troops from China simultaneously with those of other powers, which course seems in harmony with Roosevelt-Churchill eight points. Person rather looks for Japanese peace proposals in October and expects Japanese to be in a mood for peace in China through mediation of President Roosevelt at some later date but expresses realization that there are many unpredictable international factors. Person emphasizes value of courteous firmness and resoluteness in dealing with Japanese.

I forward the above not because the ideas are new to the Ambassador or the Department but rather because they express the considered opinion of an American who has large interests at stake in this occupied area and who feels that the future of his country and his and other American interests will best be served by the course indicated.

Sent to Chungking. Repeated Department. Code text airmail to Tokyo and Shanghai.

BUTRICK

711.94/2186 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 22, 1941—2 p. m.
[Received August 22—4 : 20 a. m.]

1286. For the Secretary and the Under Secretary only. Embassy's 1267, August 18, 9 p. m. The Minister for Foreign Affairs sent me word this morning through the Director of the American Bureau that the German Ambassador had yesterday called on Admiral Toyoda and had asked what was the subject of the conversation which I had with Admiral Toyoda on August 18, and that Admiral Toyoda had informed the German Ambassador that I had called to make representations with regard to a number of specific cases of difficulties experienced by Americans in Japan and China.

GREW

711.94/2187 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, August 22, 1941—6 p. m.

[Received August 22—9: 05 a. m.]

1290. The Director of the American Bureau, by direction of the Minister for Foreign Affairs, has invited our attention to a considerable number of press despatches from the United States reporting discussions in the American press of actual and contemplated actions by the United States and Great Britain which are calculated to make effective the so-called "encirclement" of Japan. The director said that although the Foreign Office is aware that the American Government is not in a position to control the American press it would be helpful if something could be done to moderate the alarming character of such press discussions, which when reported in Japan tend to strengthen the hands of those whose views on Japanese policy do not accord with those of the Japanese Government. The Foreign Minister also mentioned this subject to me in our conversation today.

GREW

740.0011 European War 1939/14094 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 23, 1941—11 a. m.

527. Your 1263, August 18, 5 p. m.⁴⁰ Reports from Tokyo indicate that considerable emphasis continues to be placed by the Japanese press on the allegation that Japan is being encircled and that aid given Soviet Russia by this country constitutes a threat to Japan as a part of that encirclement.

You may wish in conversation with official and influential Japanese to refer to certain public statements made by officers of this Government which make it clear that the apprehensions entertained by the Japanese press are not justified.

The joint statement (Radio Bulletin 193, August 14) signed by the President and the British Prime Minister clearly reveals the absence of any desire on the part of this Government to threaten or intimidate any nation. That statement while emphatically denouncing Hitlerism should find favor with all Governments which do not participate in or support the program of Hitlerism or similar programs.

On June 23, the Acting Secretary issued a statement⁴¹ (Radio Bulletin 148, June 23, 1941) which clearly set forth the position of

⁴⁰ Not printed.⁴¹ Department of State *Bulletin*, June 23, 1941, p. 755.

this Government in regard to the Russo-German war as follows: "Any rallying of the forces opposing Hitlerism, from whatever source these forces may spring, will hasten the eventual downfall of the present German leaders, and will therefore redound to the benefit of our own defense and security."

Radio Bulletin no. 184 of August 4 contained the exchange of notes between the Soviet Ambassador and the Acting Secretary ⁴² in which it was clearly stated that aid from this Government to Russia would be for the purpose of strengthening Russia's resistance to armed aggression which threatens the security and independence of all other nations, and that, accordingly, such aid is believed to be in the interest of the national defense of this country.

On August 8 (Radio Bulletin 188, August 8) the Secretary in reply to a correspondent's question stated that he knew nothing of the alleged encirclement of Japan and that there was no occasion for any law-abiding and peaceful nation in that part of the world to become encircled by anybody but itself.

The Secretary, the Under Secretary and other high officials of this Government have unequivocally set forth in official conversations with the Japanese Ambassador and members of his staff on repeated occasions the policies and purposes of this Government, and have distinctly and emphatically refuted the allegation of "encirclement" of Japan by this Government. On July 21, the Acting Secretary in a conversation with Mr. Wakasugi of the Japanese Embassy ⁴³ referred to statements previously made by the Japanese Ambassador of Japan's feared encirclement and added that in view of the Secretary's often repeated expositions to Admiral Nomura of the policies of the American Government, the Japanese Government could not even remotely have believed that the United States had in mind any such policy as encirclement of Japan.

In a conversation with the Japanese Ambassador on July 23, ⁴⁴ the Acting Secretary pointed out that the policy of the United States was entirely opposite from one of encirclement of Japan, and added that the Japanese Government had been fully informed by the Secretary through the Japanese Ambassador of this Government's policy of non-aggression, of abstention from any political or physical force of world conquest and of maintenance of peace in the Pacific area.

On July 28, the Acting Secretary in a conversation with the Japanese Ambassador ⁴⁵ reiterated what the Secretary had often previ-

⁴² Dated August 2; Department of State *Bulletin*, August 9, 1941, p. 109.

⁴³ See *Foreign Relations*, Japan, 1931-1941, vol. II, p. 520.

⁴⁴ See *ibid.*, p. 522.

⁴⁵ See *ibid.*, p. 537.

ously told the Ambassador, namely, that the United States, Great Britain, the Netherlands and China could not possibly be regarded as having aggressive designs upon Japan.

It is readily apparent from the foregoing statements and in view of the traditional policies clearly and repeatedly enunciated by this Government that the United States has no intention or desire to pursue a policy of so-called encirclement of any peaceful and law-abiding nation. The fundamental purpose which this Government has in mind in any measures designed to aid Russia—as we aid other countries that are resisting aggression—is to defend and protect the security of this country and this hemisphere.

HULL

740.0011 Pacific War/467: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 23, 1941—8 p. m.

3358. A United Press report from London August 22 states that "A usually reliable source reported today that within recent weeks the U. S. in the course of informal talks with Japan had suggested the neutralization of Indochina and Thailand,⁴⁶ somewhat on the order of Switzerland. The informant described Japan's answer as having been evasively negative. This development was reported to have taken place before Japan moved into southern Indochina, which constituted a reply."

This is only one of many instances in which, shortly after giving the British Government information of the most highly confidential character, this Government has found stories regarding the matter emanating from sources in London.

Please inform the Secretary for Foreign Affairs of the above and ask for an explanation of the facts which made it possible for information communicated to the British Government in the strictest secrecy to have become public in this way.

You may add that Mr. Eden will surely appreciate how difficult such cases as this make it for this Government to continue to keep the British Government fully informed of confidential matters in which both Governments are interested.

HULL

⁴⁶ For President Roosevelt's proposal, see memoranda by the Acting Secretary of State, July 24 and 31, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 527 and 539.

740.0011 European War 1939/14364a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 25, 1941—8 p. m.

535. There follows for your information extract from the Associated Press text from London of Prime Minister Churchill's radio address of August 24:

"But Europe is not the only continent to be tormented and devastated by aggression. For five long years the Japanese military factions, seeking to emulate the style of Hitler and Mussolini, taking all their posturing as if it were a new European revelation, have been invading and harrying the 500,000,000 inhabitants of China. Japanese armies have been wandering about that vast land in futile excursions, carrying with them carnage, ruin and corruption, and calling it 'the Chinese incident.' Now, they stretch a grasping hand into the southern seas of China. They snatch Indochina from the wretched Vichy French. They menace by their movements Siam, menace Singapore, the British link with Australasia, and menace the Philippine Islands, under the protection of the United States.

It is certain that this has got to stop. Every effort will be made to secure a peaceful settlement. The United States are laboring with infinite patience to arrive at a fair and amicable settlement which will give Japan the utmost reassurance for her legitimate interests. We earnestly hope these negotiations will succeed. But this I must say: That if these hopes should fail we shall, of course, range ourselves unhesitatingly at the side of the United States."

HULL

741.94/500 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, August 26, 1941—7 p. m.

[Received August 26—10:40 a. m.]

1308. My British colleague has furnished me with a copy of a telegram which he sent to London August 25 of which the following is the substance:

In my conversation with the Foreign Minister about Anglo-Japanese relations he was more pessimistic than I have ever known him to be about the outlook. The only redeeming feature during the conversation which revolved around the old arguments was marked lack of enthusiasm on the Minister's part whenever I mentioned Germany and that when I remarked that the conclusion of the Tripartite Pact was the basic cause of our troubles in their present phase he gave vent to a smothered ejaculation of acquiescence. When I expatiated at some length on the presence of the Japanese in Indochina the Minister listened attentively but made no comments. This however brings us no nearer to getting the Japanese out of that area.

That these conversations will lead anywhere I have little hope but the Minister may eventually come out with something more constructive as he has twice suggested their continuance, and it is at least something to have induced the Minister to talk fairly freely.

In the present circumstances the lead must of course be left to the United States and I fully appreciate the importance of not crossing wires with them but as the Minister displays with me a marked inclination to regard America as an innocent victim of British machinations it is nevertheless my duty as far as possible to keep our end up. Beyond referring to the well-known capacity of the United States to paddle its own canoe I refuse to be drawn on this point.

My American colleague is being kept fully informed.

Early instructions are requested if at our next interview you should wish me to take any particular line.

GREW

740.0011 European War 1939/14459 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, August 27, 1941—1 p. m.

[Received August 28—6:50 a. m.]

367. Yesterday during the course of an informal conversation with Foreign Minister Quo reference was made to the recent Churchill statement. Quo reiterated his remark to the press that Churchill's reference to conversations between America and Japan concerning a Far Eastern settlement caused him no apprehension. He admitted that it had been the cause of some surprise and concern but said that no apprehension was felt among the higher officials. He commented that China can no longer be used as the object of negotiations by other nations, that China is now arbiter of her own destiny; that he believed that a settlement in the Far East would have to be part of a general world settlement; and that most probably the principles of the Nine Power Treaty and the eight points must be the basis for the Far Eastern settlement. He described all efforts to reach an understanding with the Japanese at this time as "bargaining with a tiger for his skin." He added that elements in China that might wish to come to terms with the Japanese have no leg to stand on.

Notwithstanding the Foreign Minister's apparently confident attitude, I have reason to believe that Churchill's reference to American-Japanese conversations, the omission of a gesture toward China during the course of the Roosevelt-Churchill meeting, and last paragraph suggesting that freezing and the export license system may not be stringently applied toward Japan, are causing some uneasiness and resentment among the Chinese even in higher circles. The Chinese want, as much as they want material assistance, to be recognized as equal partners in the fight against aggression. This may be a matter of "face" but it is nevertheless important especially from the stand-

point of the relations of the controlling elements in the Government who desire to continue resistance with those elements who are not at all convinced that a settlement with Japan might not be advisable. Reports of conversations between America and Japan and implications that China is not accepted as an equal in the [anti-aggression?] front weaken the position of the [controlling?] group vis-à-vis the others.

Evidence of this situation is reflected in the Generalissimo's comments communicated by my telegram No. 339 for your information August 11, 7 p. m.;⁴⁷ in a recent editorial in the *Takung Pao* which expressed the same idea dwelling on the fact that there seemed to be concern over the extension of Japanese hostilities to the south and to the north but none over the continuation of Sino-Japanese hostilities; and in an apparent feeling in connection with the Moscow conference that China is again being slighted.

Arnstein,⁴⁸ the American motor transportation expert who has been inspecting the Burma Road, recently reported to Harry Hopkins as representing Chinese opinion here in a conversation he had with Madame Chiang who at a dinner in his honor indulged in an impulsive criticism of the American-British attitude toward China. She said that China after 4 years fighting against aggression was ignored at the Roosevelt-Churchill meeting, expressed the opinion that the democracies were following the policy of appeasement toward Japan and indicated that this has provoked Chinese resentment. The Generalissimo chided his wife for her impulsive outburst before their guests, he did not express disagreement with her views, and subsequently at a luncheon party Madame Kung⁴⁹ expressed similar views to Arnstein.

There are evidences of a growing feeling among the Chinese that the American-British policy of aid to China is designed for the purpose of maintaining Chinese resistance to Japan in order that America and Great Britain may not have to engage in hostilities in the Far East. This runs counter to the Chinese hope that America and Great Britain will be drawn into war with Japan, thus assuring victory in China's conflict with that power. The Chinese sense a danger that China may be subordinated to Anglo-American war objectives and this accounts in large measure for their desire for recognition as having full partnership in the fight against aggression and for their sensitiveness to suggestions of Anglo-American overtures toward Japan. In my conversations with Chinese officials I have endeavored and shall continue to try to disabuse their minds of these suspicions.

GAUSS

⁴⁷ Vol. v, p. 700.

⁴⁸ Daniel G. Arnstein, who made a report to the Chinese Government in August.

⁴⁹ Wife of the Chinese Minister of Finance and elder sister of Mme. Chiang.

740.0011 European War 1939/14403 : Telegram

*The Ambassador in Japan (Grew) to the Secretary of State*TOKYO, August 27, 1941—4 p. m.
[Received August 27—9:40 a. m.]

1319. For the Secretary and the Under Secretary. 1. The reaction of the Japanese press to Mr. Churchill's broadcast of August 24 (please see Embassy's 1313, August 26, midnight⁶⁰) was one of almost unprecedented violence in tone. Considering the fact that the Japanese press is controlled by the Government and that the tone of the press is frequently set by the Government for tactical reasons, the violence of the press reactions is not necessarily to be taken at its face value. However, one aspect of the press reaction which in my opinion is of even greater significance than its challenging tone is the note of despair that the differences between the United States and Japan can never be resolved peacefully. The throttling effect on Japan's economy of freezing measures in the United States and the British Empire with growing realization that there is no prospect of a military decision being reached in Europe before Japan's resources—however carefully husbanded—become exhausted, is creating a psychology of desperation.

Although there are elements in Japan who are fully aware of the dangerous potentialities of this situation and who are prepared to go far to attempt to avert war with the United States, the possibilities of constructive Japanese statesmanship being able to overcome growing counsels of despair here are, in the present circumstances, deteriorating from day to day. In Japan a psychology of despair leads characteristically to a do-or-die reaction.

2. There are in my opinion two focal points of immediate danger: one, the supply of American arms and military supplies to Russia through Siberian ports, and the other the recent decision of the Netherlands Indies Government (please see Embassy's 1310, August 26, 9 p. m.⁶¹) to curtail severely if not to discontinue the supply of petroleum to Japan. The Department is of course aware of the different aspects of the latter situation, but I need merely say that sooner or later—depending on the extent of Japan's oil reserves—the practical loss of the last important source of supply for this essential commodity will exert a controlling effect on her future policies and actions.

3. With regard to the first point above-mentioned, the Japanese press has been belaboring the argument that considerations of prestige and national dignity would make intolerable the passage through

⁶⁰ Not printed.

⁶¹ Vol. v, p. 281.

waters contiguous to Japan (which it is claimed could properly be proclaimed to be territorial waters as a wartime measure) of vessels carrying military supplies to a nation whose relations with Japan are characterized as "delicate." I believe, however, that this argument looms large in Japanese eyes because of another consideration which, although not so frequently presented, would seem to have greater practical validity and that is the fear that some part of the supplies from the United States of primary military equipment, notably aircraft, might be retained by the Russians in eastern Siberia. It would seem, therefore, that the Japanese would be deprived of any rational ground for complaint if American assurances that supplies are intended for the defense of Russia against Germany were supplemented by Soviet assurances that American supplies reaching Siberian ports will not be retained in Eastern Siberia. (It is rumored that the Japanese Ambassador at Moscow yesterday requested the Soviet Government for such assurances.)

4. The position as we see it is that if our Government is still prepared to explore an approach from Japan, time is of the essence. There would seem to be developments in the making which if not immediately anticipated might well eliminate the last possibility—slim though it may be—of preventing the spread of the war to the Pacific.

GREW

894.00/1100

Memorandum by the Adviser on Political Relations (Hornbeck) ⁵²

[WASHINGTON,] August 27, 1941.

We are not informed regarding the authorship of this broadcast,⁵³ but, from the internal evidence, it is clear that the author knows a good deal about Japan, Japanese personalities and Japanese politics.

In the light of what he says, especially on the last page (3), and of other evidence or testimony to the same general effect, it is altogether reasonable to believe that threat of assassination hangs over the heads of any Japanese high officials who oppose the militant militaristic leadership [Incidentally, Konoye is not really a *leader*—he merely has influence (more negative than positive) because he is Konoye]; ^{53a} therefore, if and insofar as he advises or insists on a moderate or conservative policy and procedure, Konoye has been and is in danger of assassination; hence, the gesture of the proposal that he sail from Japan to meet with the President of the United States in

⁵² Noted by the Secretary of State.

⁵³ On August 16, there was picked up in the United States from Chinese Radio Station XGOY, Chungking, a broadcast which analyzed the position of Baron Kiichiro Hiranuma in Japanese political life and the significance of the recent attempt to assassinate him; transcript of broadcast not printed.

^{53a} Brackets appear in the original.

conference does not necessarily *create* that danger for him; in fact, that gesture, if consummated, *might* be a way of escape. At any rate, a jump from frying pan into fire does not prove that he who makes that jump is exhibiting extraordinary courage.

Query arises whether, toward giving support to the efforts of whatever there exists of "moderate elements" in Japan toward, in turn, bringing about accession to effective power in Japan of a rightly minded control leadership (in place of the militant militaristic element), the kindest and the soundest course for foreign countries, especially the United States, to pursue would not be that of bending every effort toward ensuring a thorough defeat and a complete discrediting of the armed efforts of the military militaristic leadership. Any kind of a "peace settlement" or adjustment on any kind of compromise lines which leaves the armed militant militaristic leadership in control or even in a position of influence would tend to perpetuate a political philosophy and concomitant practices the outstanding features of which are use of force, direct action, resort to assassination, et cetera. So long as even the roots of a militaristic philosophy continue to flourish and have a popular place in Japanese political and social life, the nation will not be secure against the political machinations of the chauvinistic leaders in the armed forces, and officials will not be secure against the pistol shots or the sword cuts of fanatical self-chosen or group-chosen patriots who, frustrated in the field of intelligence and reasoning, resort to methods of assassination. For Japan to enjoy political health, may it not be, is it not, essential that the cancer of militant militarism which is deeply imbedded in the Japanese body politic be destroyed and eliminated?

S[TANLEY] K. H[ORNBECK]

711.94/2187 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 27, 1941—5 p. m.

542. Your 1290, August 22, 6 p. m. You will observe from the Department's 527, August 23, 11 a. m., which crossed your telegram under reference, that this Government has endeavored to make clear to the public the absence of any intention on the part of this Government to encircle or otherwise to threaten any country.

You may in your discretion indicate to officials of the Japanese Government that the character of recent American press comment in regard to the situation in the Far East represents a natural reaction to Japanese policies and courses of action adversely affecting American interests. The Department feels that positive action on the part of

the Japanese Government responsive to this Government's representations looking to respect by the Japanese Government for American rights and interests in the Japanese Empire and areas under Japanese control might be expected to contribute more to altering the trend of American public opinion to which the Director of the American Bureau takes exception than any statements which the American Government could make.

HULL

861.24/569 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 27, 1941—7 p. m.
[Received August 27—10:55 a. m.]

1322. Embassy's 1319, August 27, 4 p. m.

[Here follows report based upon memorandum by the Counselor of Embassy in Japan, August 27, 1941, printed in *Foreign Relations, Japan, 1931-1941*, volume II, page 568.]

3. In view of our analysis of the situation in Japan presented in the Embassy's telegram under reference, we do not believe that the picture drawn by the Foreign Minister is unduly exaggerated. I cannot recommend that the tankers be recalled (the Counselor said to Mr. Terasaki that he did not expect that I would make such recommendation), but I believe that the proposal that the tankers follow the longer route above suggested appears to be reasonable. In the absence of factors in the situation unknown to me I trust that in view of what we believe to be an approaching crisis the administration will give the most thorough consideration to this latter suggestion so far as the suggestion is not found to be actually impractical or to involve a sacrifice of principle, and in the event of a favorable decision that I be directed to inform the Foreign Minister in that sense.

4. Mr. Terasaki indicated that the Foreign Minister would probably ask me to call on him tomorrow (August 28) or the day after.

GREW

861.24/657

*Memorandum by the Adviser on Political Relations (Hornbeck) and Mr. Joseph W. Ballantine*⁵⁴

[WASHINGTON,] August 27, 1941.

We have, in the light of authentic information received today, two problems to consider:

⁵⁴ Noted by the Secretary of State.

1. That of the special conference; and
2. That of the gasoline which is on its way to Vladivostok.

This memorandum will relate to the latter, the question of the gasoline.

The Japanese contention that the United States is "exercising stringent limitations on gasoline essential to our [Japanese]⁵⁵ civilian population"⁵⁶ is not in conformity with facts. Whether the gasoline which is on its way to Vladivostok constitutes "cargoes of petroleum products which should be coming to us [the Japanese]"⁵⁵ is a question of opinion: query is warranted, Why should those cargoes be going to the Japanese. As regards the "severe blow to the sensibilities of our [Japanese]⁵⁵ government and people", it may be said that what the Japanese people think about it is determined by what the Japanese Government lets them know and suggests that they think about it. What this matter has to do with the "neutrality treaty between Japan and Soviet Russia", it is difficult to perceive. That it is not "in accord with the interpretation of international law" is an unsound affirmation.

The Japanese Government instructs that representations be made again to the Secretary of State toward bringing about "an immediate cessation of these measures". If, such representation having been made, the United States declines to stop the shipments to the Soviet, the Ambassador is to suggest that the transportation route be changed. If this is refused, he is to try to persuade the American Government that it immediately revive shipments of petroleum products to Japan.

Comment

The whole of this instruction is a confession of uncertainty and lack of determined intent on Japan's part to make this matter a real issue. It is firmly believed that, in the presence of this evidence, the United States should maintain a firm attitude and avoid any word or any act that might be construed by the Japanese Ambassador as an indication of doubt or indecision on our part. Our right to send this gasoline and the Soviet right to purchase and receive it are indisputable. The transaction in no way violates any Japanese right; it in no way prejudices adversely any legitimate Japanese interest—other than that feature of Japanese policy which is directed toward establishing the concept that Japan is to be the judge and arbiter of

⁵⁵ Brackets appear in the original memorandum.

⁵⁶ This and later quotations in this memorandum are from intercepted Japanese telegram from Tokyo to Washington, August 26; see *Pearl Harbor Attack: Hearings before the Joint Committee on the Investigation of the Pearl Harbor Attack*, 79th Cong., 1st sess., pt. 12, Joint Committee Exhibits Nos. 1 through 6, p. 21.

other people's rights in the western Pacific; it in no way menaces or jeopardizes Japan's security—for, the Soviet Union is in no position, with or without this gasoline, to launch any military attack upon Japan.

It is believed that it would be advisable for this Government to arrange to have the ships that carry this cargo avoid passing through any waters adjacent to the main islands of Japan [this might be done by having those vessels pass close to the southern point of Kamchatka or pass through the channel which is considerably more than six miles wide between two of the northerly islands of the Kurile group];⁵⁷ that the Japanese be told that we are making this arrangement out of respect not for any admitted right of theirs but for their susceptibilities; and that they be told that we regard this trade with the Soviet Union as perfectly legitimate trade, comparable to trade which we have carried on for a long time with Japan and which we have recently subjected to restrictions so far as Japan is concerned only because of action on Japan's part inimical to our security.

It is believed that if we proceed in the manner thus outlined we will have no real trouble with Japan over this matter.

Action, if taken, on this Government's part involving a recalling of the tankers in conformity with the suggestion reported in Ambassador Grew's telegram 1332 [1322], August 27, 7 p. m., "to await the outcome of the proposal recently made with regard to" a conference, would be construed by the Japanese Government and be interpreted to the Japanese nation as a clear indication that, meeting with opposition and an indication of firmness on Japan's part, the United States backs down; would be inconsistent with indications which have been given to our own people, to the British, to the Chinese, to the Russians, and to all others concerned, that this Government has at last adopted and intends to maintain a firm attitude vis-à-vis Japan; would be inconsistent with and stultifying to our efforts to encourage the Russians to resist Germany and our assurances to them that we will afford them material aid; and would be prejudicial generally to our effort to wield a decisive influence toward causing the peace-desiring peoples of the world to resist and overcome the movement of aggression and conquest of which Japan was the inaugurator and the German-Japanese-Italian alliance is the spearhead and battering ram.

S[TANLEY] K. H[ORNBECK]
J[OSEPH] W. B[ALLANTINE]

⁵⁷ Brackets appear in the original.

711.94/2244*

Memorandum of Conversation, by Mr. Joseph W. Ballantine

[WASHINGTON,] August 27, 1941.

Participants: Admiral Kichisaburo Nomura, Japanese Ambassador,
Secretary of State
Mr. Ballantine.

The Secretary took advantage of the call of the Japanese Ambassador at the Secretary's apartment in connection with another matter⁵⁸ to refer to the question which the Ambassador had raised with the Secretary this morning⁵⁹ in regard to the shipments of petroleum products from the United States to the Soviet Union. The Secretary said that he could not see why there should be occasion for such agitation and abuse of the United States in the Japanese press over this matter and that in his opinion the Japanese people should rather be grateful for the large quantities of oil which had been shipped over a long period to Japan from the United States. The Secretary pointed out that he had been subjected to personal criticism in this country for allowing this traffic. The Secretary asked the Ambassador whether the Japanese Government could not make known this aspect of the matter to the Japanese public in order to place the situation in its true perspective.

The Ambassador appeared to share the opinion expressed by the Secretary. He pointed out, however, that taxicabs in Japan had ceased operating because of being shut off from gasoline and it was difficult to reconcile the Japanese people to the shipments of oil passing through waters adjacent to Japan destined to Soviet Russia while Japan was being deprived of oil from the same source. He said that he had already telegraphed his Government the views expressed by the Secretary and had recommended to his Government that the Japanese Government purchase oil in this country by taking advantage of the quota allotted Japan.

711.94/8-2841

Memorandum by Mr. Joseph W. Ballantine to the Secretary of State

[WASHINGTON,] August 28, 1941.

MR. SECRETARY: In connection with your proposed call upon the President to discuss with him the proposal of the Japanese Government which the Japanese Ambassador desires to present to him on

⁵⁸ See memorandum of a conversation, August 27, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 571.

⁵⁹ See memorandum by the Secretary of State, *ibid.*, p. 569.

August 28⁶⁰ in regard to a meeting of the heads of the American and Japanese Governments for the purpose of endeavoring to reach a peaceful settlement covering the Pacific area, observations are offered as follows:

It seems apparent from the character of the document which the Japanese Ambassador proposes to hand to the President, a copy of which he handed you last night,⁶¹ and various other indications that the Japanese Government will adopt a strategy designed to put through an agreement couched in general terms which will leave the application of those terms wide open. The Japanese will probably argue that the situation calls for speedy action on the ground that only in this way can there be averted the danger of control of the Japanese Government passing into the hands of the extremists, which would result in the opportunity being lost for a peaceful adjustment of relations between the United States and Japan. (Our Embassy has reported that the internal situation in Japan is serious and there may be a sound basis for this argument.) The Japanese will probably also argue that for this reason it is essential that points of agreement be confined to broad questions leaving specific details to be dealt with subsequently.

It will be recalled that these are the very tactics which the Japanese Government has employed in connection with the proposals for an understanding which were presented to our Government last spring. It will be recalled too that our deliberate careful study of their proposals revealed inconsistencies between their professions of acceptance of the principles of respect for China's territorial integrity and of nondiscrimination in international commercial relations on the one hand and their reluctance on the other hand to agree to withdrawing troops from north China and Inner Mongolia and to relinquish in practice special economic principles which they have asserted in China.

Should we accede to Japan's desire to conclude an agreement first covering only broad principles, there is a danger that we shall not have in fact reached a meeting of minds on what is implied in the actual application of those principles to concrete cases.

We have consistently informed the Japanese that, in the light of the many evidences which have come to our attention that the Japanese Government is pursuing courses diametrically opposed to the spirit underlying the conversations which you have held with the Japanese Ambassador, we must await some clear indication of the Japanese Government's intention to pursue peaceful courses before we could profitably continue to pursue our conversations. It is thought that the President may wish to reemphasize to the Japanese Ambassador

⁶⁰ See memorandum by the Secretary of State, August 28, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 571.

⁶¹ See memorandum of a conversation, August 27, 1941, *ibid.*

that our views in this respect remain unchanged. He may wish to recall to the Ambassador that in addition we found during the course of our conversations difficulties arising from (1) the disposition of the Japanese Government to stress its alignment with the Axis; (2) the intention of the Japanese Government to retain troops in Chinese territory for defense against communistic activities; and (3) lack of adequate clarification of the application to Japan's proposed program of economic cooperation with China of the principle of nondiscrimination in international commercial relations. The President may wish to suggest that these points would need to be satisfactorily disposed of as a condition precedent to a general peaceful settlement.

The President might then go on to offer the suggestion that in the light of all developments which have taken place, it would be helpful at this time if the Japanese Government could give some practical evidence of its intention to readjust its position and to pursue courses of peace; the giving of such practical evidence would not only contribute toward convincing the American people and the world at large of the earnestness of the Japanese Government's declared intentions, but would also serve, it is believed, to make easier the task of bringing about reconciliation between Japan and China, in accordance with Japan's earnestly professed desire. He might say that as the Japanese Government is in a far better position to know than is the Government of the United States what Japan is prepared to do by way of giving practical evidence of its intentions, this Government hesitates to suggest concrete measures which the Japanese Government might take.

The President might then in conclusion say that he is glad to learn from the Ambassador of the Japanese Government's desire to pursue peaceful courses; that he will be glad to give careful study to the paper which the Japanese Ambassador has given him; and that with regard to the Japanese Government's proposal for a meeting between himself and Prince Konoe, while the President will be glad to try and arrange such a meeting, he feels that precedent to the taking place of such a meeting there should be a meeting of minds between the two Governments on fundamental principles, as it would be most unfortunate from the point of view of both Governments if when such a meeting takes place there should ensue a failure to arrive at a mutually satisfactory agreement.

861.24/569 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 28, 1941—6 p. m.

544. Your 1319, August 27, 4 p. m. and 1322, August 27, 7 p. m.

[Here follows report based on memorandum by the Secretary of

State, August 27, 1941, printed in *Foreign Relations, Japan, 1931-1941*, volume II, page 569.]

In the evening the Japanese Ambassador called at my apartment in connection with another matter and I took the occasion to emphasize again what I had previously said. The Ambassador said that he had already reported to his Government what I had said and that he had recommended that the Japanese Government purchase oil in this country in accordance with the suggestion brought out in our earlier conversation.

HULL

861.24/576 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 28, 1941—7 p. m.

[Received August 28—8:50 a. m.]

1330. Embassy's 1319, August 27, 4 p. m., paragraph 3. The Foreign Office today informed us "off the record" that on August 26 the Soviet Foreign Commissar stated to the Japanese Ambassador in reply to representations by the latter with regard to Soviet purchases of American gasoline and other military supplies that the areas from which Japan obtains military supplies is not a matter with which the Soviet Union is concerned and that correspondingly the Soviet Union cannot admit that purchase by the Soviet Union of military supplies from the United States is a matter of concern to Japan.

Sent to the Department, repeated to Moscow.

GREW

861.24/578 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 28, 1941—11 p. m.

[Received August 28—2:13 p. m.]

1334. Embassy's 1330, August 28, 7 p. m. The Secretary of the Soviet Embassy today provided a member of my staff with the following details concerning the Japanese representations to the Soviet Government relating to the shipment of American gasoline to Vladivostok, and the Soviet reply thereto. He stated that the Japanese representations expressed the serious concern of the Japanese over the shipment of American gasoline to Vladivostok especially since its passage in close proximity to Japan would be very embarrassing in view of Japan's association with the Axis powers and emphasized that the Japanese Government was concerned lest this gasoline should be kept in the Soviet Far East for possible future use against Japan. The

Soviet Government in its reply stated that inasmuch as it was of no concern to the Soviet Government where Japan obtained its war materials, it failed to see why the Japanese Government should be concerned over the purchase of war materials by the Soviet Union from the United States, and consequently the Soviet Government considered the representations on the subject made by the Japanese Government to be "unfriendly". The Japanese Government was furthermore informed that the destination and disposition of the gasoline were a matter which concerned the Soviet Government alone, but that in actual fact the greater part of these shipments was destined for use on the front against Germany, and only such quantity thereof as was deemed necessary would be kept in the Far East for industrial and economic needs.

In reply to his inquiry regarding the nature of the reply which the Government of the United States intended to make to the reported Japanese representations on the same subject, the Secretary of the Soviet Embassy was informed that beyond the fact that representations had been made we did not know the form or nature thereof nor the character of the reply thereto which would be made by the American Government.

In the course of the conversation the Soviet Secretary stated that it was his understanding that the port of Komsomolsk, north of Vladivostok, was equipped to unload tankers and handle the transshipment of oil.

Sent to the Department, repeated to Moscow.

GREW

711.94/2215 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 29, 1941—6 p. m.

[Received August 29—7:10 a. m.]

1344. Embassy's 1342, 29th, 4 p. m.⁶² According to this evening's press, an official of the Information Board commented as follows on the Konoye message:

"Japanese-American relations concerned with the Pacific are delicate and we are trying to find the root of the difficulties."

Press states that a Cabinet meeting, called at 1 p. m. and lasting until 2:20 p. m., heard detailed reports from the Premier and Foreign Minister regarding recent developments in American-Japanese relations, especially in connection with the Konoye message.

GREW

⁶² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 579.

740.0011 Pacific War/483: Telegram

*The Ambassador in Japan (Grew) to the Secretary of State*Tokyo, August 29, 1941—7 p. m.
[Received August 29—3:25 p. m.]

1345. 1. The Japanese people are now told that they must perfect a "facing war". The recent unusual extensive mobilization of men and materials, the daily hammering of the press on the theme of A. B. C. D. encirclement, and air raid precautions now being taken cannot fail to affect the morale of the Japanese people. While there is little free expression of opinion within earshot of foreigners, certain indications that the people are apprehensive, alarmed and in dread of war are clear. Four years of inconclusive fighting in China have dulled the patriotic exuberance of 1937. Daily life is increasingly constrained by a [mass?] of restrictions, and queues for bread, sugar, vegetables, and other daily necessities are a common sight on every street. The Japanese is stoical in his outlook on life and while he becomes accustomed to hardships he sees in the present situation no hope ahead.

2. For some time open dissatisfaction has been expressed at the secrecy with which the Government has enshrouded its high "immutable" policy. Editors, commentators, and contributors have appealed to the Government in the press for more frank explanations of what the people were to be called upon to do. The point has been repeatedly emphasized that for four years the Japanese people have borne with uncomplaining and unquestioning patriotism the burden of the China Incident and that now, as they face greater danger and greater hardships, they deserve the confidence and trust of the Government. The President of the Information Board, recognizing this very widespread complaint, denied to the press on August 13 the accusation that the Government sought deliberately to keep the nation in the dark. He appealed for cooperation from the people.

3. The uneasy popular state of mind has not been soothed by the obvious military preparations. Conscription, construction of air raid shelters, the appearance of several barrage balloons in Tokyo, the construction of anti-air raid gun emplacements, and restrictions on travel have all created a tension easy to perceive. All newspapers have recently published a series of articles describing air raids and air raid precautions. The articles warn against hysteria and "detailed statistics[" purport?] to show that the percentages of both bomb hits and casualties in air raids are small. Evacuation from cities is condemned as cowardly and unpatriotic.

4. That the Government is aware of the importance of healthy public morale is indicated by the marked change in its recent publicity approach to the people. The information board, until now considered

primarily as a disseminator of information for use abroad, is undergoing a process of strengthening and reorganization and its most important task in [*is*] now described as the mobilization of public opinion within Japan. It is now conducting a publicity campaign to assure the nation that capacity for war is adequate. Posters have been prominently displayed praising the achievements of the China incident and pointing out the steps which have been taken to strengthen Japan as a defense state. Tokyo's seven newspapers now daily display identical photographs (seldom permitted to be published before) of battleship, submarine and airplane interiors or guns, war industries or other scenes designed to show Japan's defense strength.

5. The evidence indicates that if Japan is to engage in a war with a major power, the morale of the people will need further strong stimulation. At best they will go into it blindly, doggedly, desperately. They will not be confident.

GREW

861.24/581 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 29, 1941—9 p. m.

[Received August 29—6: 30 p. m.]

1347. Embassy's 1322, August 27, 7 p. m., paragraph number 4.

[Here follows report based on memorandum by the Ambassador in Japan, August 29, 1941, printed in *Foreign Relations*, Japan, 1931-1941, volume II, page 579.]

8. I respectfully pass on to you the foregoing observations without further comment on my part except to say that I believe that the Minister's portrayal of the difficult and dangerous situation of the Prime Minister as a result of the Washington publicity is real and not exaggerated. Whatever responsibility the Prime Minister must bear for having allowed Japan to come to the present pass, and it is a heavy responsibility, there can be no doubt as to the genuineness of the present efforts of Prince Konoye to find some mutual ground for conciliation with a view to avoiding the steadily increasing risk of war.

GREW

740.0011 European War 1939/14515 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 29, 1941—11 p. m.

[Received August 29—3: 25 p. m.]

1348. As it has been difficult to see the Foreign Minister lately I wrote him a letter today conveying the substance of Department's

527, August 23, 10 [11] a. m. making clear through certain public statements by officers of the United States Government that there is no justification for the allegations and apprehensions entertained by the Japanese press that Japan is being encircled and that aid given Soviet Russia by the United States constitutes a threat to Japan as a part of that encirclement.

GREW

740.0011 European War 1939/14631

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] August 30, 1941.

The British Chargé d'Affaires called and said that his Government was in the act of sending a communication to Japan in the form of an ultimatum similar to the draft communications (copies attached) which he handed me, and he desired any comment that this Government might care to make. I gave him briefly the pros and cons of the present Japanese political situation, especially the domestic political situation and its present explosive nature, so his Government could form its own conclusions about presenting this ultimatum at this time. I said that it should in any event be presented confidentially and in a way that would not have a tendency to upset the present Japanese Cabinet. I recalled that we have recently hit the Japanese squarely in the face with respect to oil shipments to Vladivostok, to Churchill's denunciation of Japan in his recent speech, to the sending of a military commission from this country to China⁶⁴ and to the President's ultimatum to Japan a week ago Sunday. I added that these acts are being used by the fire-eating elements to pound the Government that is in power.

I stated that I would be glad to confer with my associates relative to the two alternative communications to Japan by Great Britain regarding any comment this Government might desire to make. The Chargé said that this would probably be presented orally to Japan with a copy in writing left in memorandum form with the Foreign Office.⁶⁵

C[ORDELL] H[ULL]

⁶⁴ For correspondence concerning the military mission headed by Gen. John A. Magruder, see vol. v, pp. 680-780 *passim*.

⁶⁵ On October 15 the British Ambassador called on the Secretary of State in regard to Indochina and compared information. He "then referred to the ultimatum the British propose to send to Japan in regard to Indochina and Thailand." The Secretary of State said to Lord Halifax that he "had nothing specially new in mind subsequent to my conversation with a member of the British Embassy on the same subject a short time ago, but that consideration would be given his inquiry." (751G.94/390.)

[Annex 1]

*British Draft Memorandum to the Japanese Government*⁶⁶

His Majesty's Government are aware of the communication which President Roosevelt made to the Japanese Ambassador on August 17th⁶⁷ regarding the concern of the United States at Japanese military activities in Indo-China and the steps which the United States Government would be compelled to take if the Japanese Government pursued a similar policy in regard to neighbouring countries. His Majesty's Government shares the concern of the United States Government and cannot disregard [the] plain threat to the security of British territories, which such a policy on the part of Japan would constitute.

His Majesty's Government therefore, who have for their part no aggressive intentions either against countries bordering on British territories or against Japan herself, feel it necessary in the interest of peace to let the Japanese Government know that any further Japanese encroachment in the South-West Pacific area would compel His Majesty's Government to take counter measures even though these might lead to war between Great Britain and Japan.

AUGUST 29, 1941.

[Annex 2]

*Alternate British Draft Memorandum to the Japanese Government*⁶⁸

His Majesty's Government in the United Kingdom have watched with grave concern successive encroachments of the Japanese armed forces in Indo-China and the accumulating evidence of an intention on the part of the Japanese Government to continue this policy of expansion by force or threat of force into countries bordering on British territories. They cannot disregard the plain threat to security of those territories which such a policy would constitute.

His Majesty's Government therefore, who have for their part no aggressive intentions either against these countries or against Japan herself, feel that the time has come for most complete candour. They accordingly find it necessary, in the interests of peace, to let the Japanese Government know that any further Japanese encroachment in the South-West Pacific area would compel His Majesty's Government to take counter measures even though these might lead to war between Great Britain and Japan.

AUGUST 29, 1941.

⁶⁶ Filed separately under 751G.94/393.

⁶⁷ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 556.

⁶⁸ Filed separately under 751G.94/394.

740.0011-PW/8-3041

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁷⁰

[WASHINGTON,] August 30, 1941.

Reference, Tokyo's 1345, August 29, 7 p. m., and 1347, August 29, 9 p. m.

The contents of Mr. Grew's 1345 point to the conclusion and support the view that the Japanese people now fear and now are not prepared for a *real* war. The fact that the Information Board has now turned to "conducting a publicity campaign to assure the nation that capacity for war is adequate" implies that the Government has doubt regarding the fact asserted and that the people are not psychologically prepared for and prepared to go into a real war. Mr. Grew's concluding paragraph reads:

"The evidence indicates that if Japan is to engage in a war with a major power, the morale of the people will need further strong stimulation. At best they will go into it blindly doggedly desperately. They will not be confident."

This indicates that the Japanese nation is not going to push the Government into any new military adventuring; that if such adventuring takes place it will be because the Government deliberately chooses to drag the nation into and along such a course.

The simple fact is that Japan is already more than half beaten, i. e. is substantially exhausted, in and by the military efforts of the past four years and she does not possess a reserve of general capacity in terms of men, matériel, money, materials, and morale sufficient to qualify her for entry upon a new and additional major military effort with any expectation or prospect of success.

In Mr. Grew's 1347, it is reported that news of Prince Konoye's approach to the President has leaked out through the Domei News Agency to the Japanese people. We should note that Mr. Terasaki pointed out to Mr. Grew "the deplorable effect of the Washington publicity" but that he did not impute to American sources any responsibility for the fact that the publicity has occurred. This publicity, Mr. Terasaki says, is "playing directly into the hands of the extremists and the pro-Axis camp" in Japan and "has greatly increased the risk of an attempt to assassinate the Prime Minister". This implies that such risk has already existed.

The Japanese Foreign Minister asks of the American Government that: (a) we facilitate the taking place of the proposed meeting between Prince Konoye and the President at the earliest possible mo-

⁷⁰ In submitting this memorandum on August 30 to the Secretary of State, Dr. Hornbeck expressed the "hope that you will have time to read the whole of this."

ment; (b) we suspend the dispatch of oil tankers to Soviet Russia pending the taking place of this meeting; and (c) we suspend the freezing order pending the taking place of this meeting. As an offset to this, he cites action taken by Japan: assurances given (on condition) by that Government that (1) Japanese troops in Indochina will be withdrawn when the China Affair has been settled; (2) no further move will be made by the Japanese forces in Indochina [this assurance would have to be given some precision before it would have any specific meaning];⁷¹ and (3) Japan would "strictly conform to the neutrality treaty so long as Soviet Russia likewise adhered to the spirit and letter of that treaty [""] [this is obviously a very elastic commitment].⁷¹ In essence, the Foreign Minister asks of the United States that the American Government, [at great risk to the Administration],⁷¹ (1) assist the Japanese Government to dismount from the Tiger which it has by its own choice been riding; (2) suspend a legitimate commerce between the United States and the Soviet Union, which commerce is similar to the commerce which we have long carried on with Japan and which even now we have not completely discontinued and which is now being carried on for the purpose of assisting Russia to resist one aggressor and discourage another potential aggressor, Japan herself; and (3) suspend a freezing order which we decided upon and put into effect only after Japan had long been enforcing against this country similar measures. And against this, the Japanese Foreign Minister offers assurances in general terms that Japan will (on condition) abstain from certain acts of aggression, in the future, which she has no right even to be contemplating.

These, Mr. Terasaki says, are the "maximum commitments which the Japanese Government could undertake at the present moment".

We should note that the M. F. A.'s assurances make no mention of and apparently take no cognizance of the "China Incident" and Japan's intentions in regard thereto. Nor do they make any mention of Japan's commitment to the Axis alliance.

The M. F. A. feels, Mr. Terasaki says, that the American Government should do its utmost along the lines suggested—"to facilitate the course undertaken by the Prime Minister in the face of the greatest dangers and difficulties with which he is now confronted as a result of the Washington publicity".

By way of comment: The dangers and difficulties by which the Prime Minister is now confronted come not as a result of the Washington publicity; they come as a result of the adoption a long time ago by Japan of a program of aggression and especially the taking by the Japanese Government while the present Prime Minister was for the first time prime minister of certain steps, and of persistence by the

⁷¹ Brackets appear in the file copy.

Japanese Government, notwithstanding the disapproval of every country in the world except Germany and Italy, in pursuit of a course of aggression unparalleled in modern times except by the course which Nazi Germany later adopted and is following.

Mr. Grew speaks of "this moment of intense crisis in Japanese-American relations." By way of comment, it is submitted that this concept is in considerable degree out of perspective. The "intense crisis" which now exists in Japanese-American relations is one which exists in the press, especially the Japanese press, and perhaps in the minds of a good many people, especially people in Japan, but does not exist in reality. The Japanese Government has no intention of making war on the United States. The American Government has no intention of making war on Japan—unless Japan goes further in courses of deliberate aggression. There exists no "crisis" today except that Japan is faced with the necessity for making a critical decision. The real "intense crisis" of the present moment is a crisis within Japan. The possibility of resort to force (violence) is one which prevails in the field of Japan's internal political strife. The government that is in danger is the Japanese Government. The men who are in danger are Japanese high officials. The critical conflict which is going on is a conflict not between the United States and Japan but between the more audacious and the less audacious members of the militant militaristic leaders who have brought Japan to the position in which she finds herself today. It is in part a conflict between (a) leaders who believe in and wish to make the most of all-out association with Nazi Germany in driving jointly toward world conquest and (b) leaders who have misgivings regarding Germany's capacity and the alliance's capacity to achieve their common objective by the methods which they have been employing.

Mr. Grew, having during recent weeks manifested great solicitude for the Japanese point of view, nevertheless characterizes as "preposterous" the M. F. A.'s suggestion that the United States suspend its commerce in oil with the Russian Far East and the suggestion that we suspend the freezing order; and he rightly discouraged any expectation on the Japanese Government's part that we would so act.

Mr. Grew expresses a view that the Prime Minister has a "heavy responsibility" to bear "for having allowed Japan to come to the present pass". Nevertheless, he comments, "there can be no doubt as to the genuineness of the present efforts of Prince Konoye to find some mutual ground for conciliation with a view to avoiding the steadily increasing risk of war." By way of comment, it is submitted that it should be easy for us to accept the view that Prince Konoye's present effort toward conciliation is "genuine": when a prime minister and his country find that the animal which they have mounted

is a tiger, efforts on their part to find a way and to get help toward dismounting are likely to be genuine. But, as to "the steadily increasing risk of war", it may be suggested that this risk is one which has been created and is being increased by the attitude and acts, unwarranted and unlawful, of Japan's leaders (the Japanese people having the role of pawns) and not by the attitude and acts, warranted and legitimate, of the United States (government and people).

The critical issue of the present moment is an issue not between the United States and Japan but within and among Japan's political and military leaders. *The issue* between the United States and Japan is one which cannot be resolved until first there has been resolved *the critical issue* between and among Japan's leaders. Until Japan's leaders (and therefore Japan) have decided definitely and conclusively whether they wish to go on with their general program of conquest by force ("divine destiny", "new order", et cetera) or to give up that program, there is little that can be done on any sound basis toward effectively resolving the current issue (which is of long standing and which has long revolved around and now revolves around principles and practices) between the United States and Japan.

A concept that the United States should go out of its way, take great risks, make concessions of principle, et cetera, in order to safeguard a premier or a cabinet or "the government" of Japan from the natural consequences of the ill-advised and misdirected decisions which they have made and activities in which they have engaged is one which is easy of acceptance but which should not be accepted without thoughtful and incisive consideration.

Worse things could happen in Japan and between Japan and the United States than the fall, by whatever process, of a Japanese premier, a Japanese cabinet, a Japanese "government".

It is the belief of the undersigned that so long as the element which has controlled Japan during recent years remains in control of Japan, there is no chance whatever of Japan's becoming a peaceful state, of there being created and maintained conditions of peace in the Far East, and of there being real security in the Pacific Ocean.

Were the present leaders of Japan to fight among themselves, were some of them to be eliminated, even by violence, were the present controlling element to be overthrown, the situation in Japan might become worse than it is—and this, of course, would be deplorable, in some respects, from point of view of world interest. But, the worse the conditions in Japan become, the less for the time being will Japan be of a real (capably effective) menace to her neighbors and the rest of the world. Moreover, given violent changes in Japan, there is certainly a chance that conditions in Japan might become better. Only with and by and through some change in Japan's leader-

ship can there be offered any chance that Japan will forego her program of conquest, her inclination to proceed along Nazi lines, her effort to achieve by force a position in the world which, as we see it, she might more readily achieve by employment of peaceful methods.

711.94/2223 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, August 30, 1941—6 p. m.
[Received August 30—1:45 p. m.]

1355. For Secretary and Under Secretary only. 1. At this time of crisis in American-Japanese relations, just as in other crises that have occurred during recent years, all of which have been fortunately surmounted, it is of the highest importance that I should omit no effort to convey to the President and yourself a perfectly clear conception of the various factors in Japan which exert a controlling or important influence in shaping the view-point of the Japanese people and, therefore, the incentives which control or importantly influence the policy and measures of the Japanese Government. Without such a thorough and intimate conception, steps may be taken or constructive measures may be overlooked by our own Government which may importantly affect the general situation for better or for worse. In general terms I can contribute little to the administration's own store of knowledge, gathered from our own periodic reports and from other sources, but at this particular juncture I venture to try to bring this knowledge into clear focus as applying to current problems and, in that connection, to advance a certain suggestion for what it may be worth.

2. The conception generally held abroad that Japan is a so-called Totalitarian Power is, as the Department is well aware, fallacious. The Government, working through the press and the police, exerts an important but by no means a controlling influence on public opinion, and the patent explanation of this lack of total control lies in the fact that the Government itself is composed of groups and various discordant but influential elements which in varying degrees must be humored and whose views must be given considerable ration in the formulation of policy and official measures. The alternative, as we have seen in times past, would be assassinations and the downfall of the Government itself. The possibility always exists of the setting up of a totalitarian military government which could and would exercise purely dictatorial powers. In certain contingencies, as I have previously pointed out, such a step is always, perhaps now more than ever, possible, but it has not yet come and may never come if the present

Government can successfully guide the country through the present crisis.

3. In liberal circles Prince Konoye is characterized as weak but it is doubtful if those circles have true conception of the fundamental difficulties and dangers which confront him from extremist and pro-Axis elements. As stated in the final paragraph of my 1347, August 29, 9 p. m., the Prime Minister must bear the heavy responsibility for having allowed Japan to come to the present pass, but it is clear that he is now courageously working to find a way out. It is probable that he and his colleagues already perceive the handwriting on the wall; it is certain that they already realize the fundamental error that was made in concluding the Tripartite Alliance but that having aided and abetted the development of pro-Axis sentiment in Japan, they are now faced with the gravest difficulties in overcoming that sentiment than in activating new orientation both in sentiment and policy, especially toward conciliation or a *rapprochement* toward the United States. This being the case, does it not behoove the United States, in our own interest and in combatting Axis influence in Japan, to endeavor to facilitate Prince Konoye's task so far as that can be done without sacrifice of the principles for which we stand, and indeed in the hope of facilitating an orientation in Japan which may in due course lead to an acceptance of those very principles.

4. Publicity and propaganda, heavily stimulated from Nazi sources, for which the present government must bear its full share of responsibility, has painted a deplorably fallacious picture in the minds of the great majority of the Japanese people which in brief terms may be sketched as follows. The United States and Great Britain, the so-called "have" countries, have throughout history exploited the countries of East Asia for their own selfish ends; their intention is to establish hegemony in the Far East; to control commerce and trade and sources of raw materials, ruthlessly depriving Japan of essential supplies and driving her, by alleged encirclement, to the wall. When Germany finally wins the war, her eventual victory being regarded as a certainty, the downfall of Great Britain and the discomfiture of the United States, which will then be obliged to transfer her fleet to the Atlantic, will leave Japan free to pursue the southward advance and the establishment of the new order in greater East Asia and the co-prosperity sphere, as well as the final settlement of the China affair, unhindered by the western exponents of ruthless imperialism. The foregoing thesis could be drawn out ad infinitum but along general lines it represents in brief the viewpoint of the majority of the Japanese public today.

5. In the meantime the Japanese people have been given no conception of the true attitude of the United States or of what the United

States would have to offer if Japan were to meet the American position by abandoning the use of force as an instrument of national policy and in other respects adopting the principles laid down by the United States as a basis for conciliation. The public has been given no conception of the benefits that would redound to Japan through such a reorientation of policy and action. Certainly the Japanese press has given no indication of such potential benefits while such information as comes to individual Japanese officials or Ministries is generally kept in water-tight compartments so far as other officials or the public are concerned.

6. I therefore respectfully raise the question whether the administration might not helpfully consider the advantages to be gained by a public discussion from some official source of this general subject, dwelling not on the past or present but on the potential future, perhaps setting forth the four points handed by you to the Japanese Ambassador on April 16⁷² as the basis for a constructive improvement in American-Japanese relations and then proceeding to discussions of some of the concrete benefits which would accrue to Japan if Japan were now to adopt a new orientation and policy based on those main principles. I realize that this general subject has been dealt with time and again in past utterances by high American officials, but few if any of these utterances have come to the attention of the Japanese public, and such of them as have been published here are now forgotten in the welter of anti-American publicity and propaganda.

7. Time is now of the essence. The Japanese press and public are keenly interested, adversely or favorably as the case may be, in the prospect of efforts to achieve conciliation with the United States arising from the delivery of a message from the Prime Minister to the President. The moment would appear to be auspicious. If the President in his forthcoming Labor Day speech could deal even briefly but in forward-looking view with this subject, emphasizing the potential beneficial future rather than the unhappy past and omitting, so far as feasible, comments which could be played up by pro-Axis elements, I believe that his remarks would be published in Japan (I would, of course, make every effort to have them published) and that a new turn of thought might thereby be stimulated among the Japanese people which would strengthen the hand of the Japanese Government in its present efforts toward conciliation in the face of the extremists and pro-Axis elements who will leave nothing undone to wreck those efforts.

GREW

⁷² See memorandum by the Secretary of State, April 16, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 406, 407.

711.94/2344z

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] September 2, 1941.

There are certain points that we should keep vividly in mind, among them these:

Japan is in a weakened and a perilous position;

Japanese leaders are contending among themselves and are uncertain and fearful;

Japan is in no position to attack, with expectation of success, either the Russians, the British and Dutch or the United States;

It is the Japanese who are eager for and who are asking for this conference;

This approach, by one element in Japan's leadership, is a confession of internal weakness and external weakness;

The real "crisis" is in Japan.

Political confusion within Japan has its potential advantages as well as its potential dangers.

Although we should take no unfair advantage, we have everything to gain and little or nothing to lose by standing firm on our principles and our policies.

711.94/2231a : Telegram

The Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, September 2, 1941—10 p. m.

209. Your telegram 367, August 27, 1 p. m. During the spring and early summer the Secretary and officers of the Department have from time to time held informal, exploratory, and unofficial conversations with the Japanese Ambassador and his associates without any commitment whatsoever, in an endeavor to determine whether there might be some basis for the working out of a peaceful settlement of the general problems of the Pacific area.

These exploratory conversations were disrupted following the Japanese occupation of Indochina. The Japanese Ambassador has, however, under instructions from his Government, continued to discuss with me the possibility of reaching an agreement on basic principles. The meeting between the President and the Japanese Ambassador on August 28,⁷³ reported in Radio Bulletin No. 205, August 28, was the latest development. As has been indicated in the press, it is possible that future conversations of the same exploratory nature may take place. This Government of course does not have the slightest inten-

⁷³ See memorandum by the Secretary of State, August 28, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 571.

tion of sacrificing any of its principles and policies. It goes without saying that any proposals or suggestions affecting the rights and privileges of the United States or of Japan or of any third country will not be considered except so far as they might conform with the basic principles of the United States.

You are authorized in your discretion to inform the Chinese Government officials in whole or in part of the substance of this telegram.

HULL

711.94/2279

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] September 3, 1941.

The Australian Minister called at his request. He had no particular business except to inquire about the Japanese-American conversations. I replied briefly that the situation was rather critical on account of explosive domestic politics in Japan, and that things seemed to be coming to a head or to a showdown between the Konoye Government and the extremists, with the latter apparently gaining ground. I did not go into the details of conversations with the Japanese.

The Minister said that his country was sending three or four ships with cargoes to Vladivostok and inquired whether I could tell him anything about our own experience in shipping to Vladivostok. I replied that we have no understanding of any kind with Japan; that they had made some oral representations against such shipments and that I had replied that these shipments were based on law, on the Portsmouth Treaty,⁷⁴ and on Japanese policy of insisting that we sell oil to them, and that, therefore, to refuse to sell to Soviet Russia through Vladivostok on account of Japanese objection would mean with perfect logic that we would refuse to sell oil to Japan in case Soviet Russia should object.

C[ORDELL] H[ULL]

740.0011 European War 1939/14643 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, September 3, 1941—11 a. m.

[Received 1:45 p. m.]

1123. Embassy's telegram 1111, August 30, 3 p. m.⁷⁵ Lagarde⁷⁶ also expresses great satisfaction at reported developments in the Far

⁷⁴ Signed September 5, 1905, *Foreign Relations*, 1905, p. 824.

⁷⁵ *Post*, p. 1017.

⁷⁶ Emillien Lagarde, head of the Near East section of the French Foreign Office.

East, namely, "indications" that the United States is about to reach a settlement with Japan. He said that the change in attitude clearly means that Japan has lost confidence in an Axis victory. He also said that Ambassador Kato "has throughout insisted" that the elements in Tokyo who favor reaching an understanding with the United States would finally succeed; that there would be no war between his country and the Anglo-Saxon powers. The Domei communiqué of September 1 (published here), quoting a Japanese journalist on the necessity for Japanese diplomacy to take into consideration the world situation of three years hence, has made quite an impression in Vichy. A close advisor of the Marshal⁷⁷ told us today that he considers it of real significance.

LEAHY

711.94/2283

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] September 4, 1941.

The Chinese Ambassador called at his request and said that he had come to inquire about the reported conversations between Japan and the United States. I said that I had hoped to be able within a week or two to send for the Ambassador and give him somewhat definite information as to the course of these conversations, meaning by this that I had hoped by that time they would have taken such a definite turn one way or the other that I could tell him something new in addition to what I said to him some months ago on this same subject. I added that I would be glad now, however, to make known to him anything I knew that would be of interest in the foregoing connection; that the same casual or exploratory conversations after an interruption of several weeks were now going on; that they have not reached any stage that would afford a basis for negotiations; that, as I promised the Chinese Ambassador at our meeting some time ago, this Government would not think of any negotiations that would affect the Chinese situation without first calling in the Ambassador and talking the entire matter over with him and his Government, as I would talk it over with the British, the Dutch and the Australians.

I then gave the Ambassador in very strict confidence the chief points which are set forth in the record of conversations and exchanges of memoranda between the Japanese Ambassador and myself and between the Ambassador and President Roosevelt. I made some reference to the military situation, as I had in my other con-

⁷⁷ Marshal Henri Philippe Pétain, French Chief of State.

versations, stating that we were continuing to treat it as a world military movement. I then reviewed the military possibilities, pro and con, both in the West and in the East.

The Ambassador made it rather clear that China did not desire any peace at this time. His theory seemed to be that Japan was showing signs of weakening—which did not necessarily mean an early collapse—and that within a reasonable time she would be obliged to abandon any aggressive military activities and seek peace.

I brought out several possible developments that might occur in future, such as the possible collapse of Japan, referred to by the Ambassador; the possibility of Japan's adopting all the basic principles of peaceful and normal international relations which this Government has been preaching and practicing, as well as applying those principles in a satisfactory manner; the possibility of Japan's endeavoring to face both ways by entering into an agreement whereby under an implied reservation which Japan would contend for she would have a right to exercise force against another country or countries in a given set of circumstances; and the possibility that the governments opposed to Japan, including the United States, might refuse to enter into a peace settlement at the present time. I said that any of these developments might arise and that it was a question of the attitude towards each other of the governments concerned, if and when any of the foregoing possibilities should arise.

In conclusion I said that I would be only too glad to keep in close contact with the Ambassador in connection with this entire matter.

C[ORDELL] H[ULL]

793.94/16844

Memorandum by Mr. Alger Hiss, Assistant to the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] September 4, 1941.

In the attached confidential memorandum of July 14, 1941,⁷⁹ Dr. Leighton Stuart, of Peiping, makes statements of fact and estimates of the situation as follows:⁸⁰

1. “. . . Last October Mr. Matsuoka, with permission from an Imperial Conference, and in a handwritten letter proposed to General Chiang the withdrawal of troops within a year or, if this were too long a period, six months. This was the first official approach, although there have been many informal attempts both before and

⁷⁹ Not printed, but see memorandum by the Adviser on Political Relations, July 22, p. 336.

⁸⁰ Omissions indicated in the original.

since. Its rejection by General Chiang was very disconcerting to Mr. Matsuoka. . . .”

2. There is “only the remotest danger of war” between Japan and the United States. American pressure can be effective now as never before—in the form of aid to China and of increasingly stringent blockade measures. “. . . Japan cannot carry on very much longer”. Informed Chinese in touch with the Japanese believe that if the United States will give more prompt and effective assistance there should be “a speedy ending of the war on terms acceptable to China and to the United States”.

711.94/2236 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 4, 1941—8 p. m.

562. For the Ambassador and Counselor only. Your 1347, August 29, 9 p. m. We desire that in your discretion you inform the Minister for Foreign Affairs that we have given careful consideration to his suggestion in regard to the three steps which he mentioned. You may say that this Government no less than the Japanese Government is obliged to reckon with public opinion in connection with any proposed line of action and it is the considered opinion of this Government that, as anticipated by you, it would not be practicable for this Government to carry out the steps designated by you as (B) and (C).

I was present when the President received the Japanese Ambassador on September 3⁸¹ and delivered to him a reply⁸² to the message from Prince Konoye received on August 28.⁸³ The President's reply, a copy of which is being sent you by mail, was couched in very responsive terms and contained the suggestion that preliminary discussions of essential and fundamental questions be undertaken immediately. The President read and gave Admiral Nomura an oral statement,⁸⁴ summary of which follows:

The Secretary of State in the course of the informal and exploratory conversations which he had held with the Japanese Ambassador had sought to make clear the belief of this Government, first, that an agreement to establish stability and peace in the Pacific could be reached only upon the basis of the four fundamental principles which were communicated to the Japanese Ambassador on April 16⁸⁵ (referred

⁸¹ See memorandum by the Secretary of State, September 3, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 588.

⁸² *Ibid.*, p. 591.

⁸³ *Ibid.*, p. 572.

⁸⁴ *Ibid.*, p. 589.

⁸⁵ See *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 406, 407.

to in paragraph 6 of your 1355, August 30, 6 p. m.) ; and second, that as Japan would thus be best assured access to markets and raw materials necessary to its economy and as ways would then be opened toward cooperation with other countries, including this country, on a mutually beneficial basis, Japan could profit more by adherence to a course compatible with those principles than by following any other course.

This Government notes with satisfaction the specific assurances, contained in the statement delivered by the Japanese Ambassador on August 28,⁸⁶ of Japan's peaceful intentions and assurances that the program which Japan desires for the Pacific area is consistent with principles to which this Government is committed. This Government understands that those assurances exclude any policy of seeking or acquiring by force economic preferences, advantages or rights or political expansion.

This Government strongly desires to collaborate in endeavors effectively to put into practice the principles referred to by the Japanese Government. It is believed to be all-important to insure success of any efforts Japan and the United States might make for collaboration for a peaceful settlement. On June 21, 1941, the Japanese Ambassador was given a document marked Oral, Unofficial and Without Commitment and containing a redraft⁸⁷ of the original Japanese proposal⁸⁸ (a copy of this redraft was forwarded to you with a letter dated June 30,^{88a} from an officer of the Department). There appeared in oral discussions of that document divergences of view between our Governments in regard to certain fundamental questions. Those divergences were not reconciled up to the time of the interruption of the conversations in July. This Government, while desiring to facilitate progress toward a conclusive discussion, believes a clear agreement on the above-mentioned points and a community of view are essential before any satisfactory settlement of Pacific questions may be achieved. Accordingly, the Japanese Government's present attitude toward those fundamental questions is sought.

Obviously each Government in making decisions needs to give heed to public opinion and the internal situation in its country. The Japanese Government will recognize the inability of this Government to enter into any agreement not in harmony with the principles in which all nations favoring peaceful methods share belief with the American people.

The reply of the Japanese Government on these matters would be welcome.

The basic points in which we were unable to reconcile the views of our two Governments in the informal conversations were (1) the question of the application of the principle of non-discrimination to the Japanese program of economic cooperation with China which is contained in the fundamental terms which Japan contemplates proposing to China in a peace settlement; (2) the insistence by the Japanese Government upon a basic provision of settlement with China under

⁸⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 573.

⁸⁷ *Ibid.*, p. 486.

⁸⁸ See draft of May 12, *ibid.*, p. 420.

^{88a} Letter of June 30 not printed.

which Japan would be given the right to maintain troops within Chinese territory; and (3) Japan's commitments under the Tripartite Pact.

HULL

711.94/2251 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 5, 1941—noon.
[Received September 5—11:48 a. m.]

1401. For the Secretary and Under Secretary. A colleague who is in intimate touch with Mr. Hirota reports that in the course of a long talk with the latter today the former Prime Minister said he is optimistic that favorable results will accrue from the present efforts of the Government to bring about an improvement in Japanese-American relations and that the Government will be able to secure the approval and support of the Japanese people as a whole in these efforts. While these efforts are continuing, said Mr. Hirota, it is highly important to avoid incidents in either country which might inflame the Japanese or the American people.

With regard to the question of the American oil tankers being sent to Vladivostok, Mr. Hirota said that the anxiety in Japan arises from fear that this oil will be sent to Chiang Kai-shek. My colleague pointed out that if the oil were in fact destined for Chungking it would be patently absurd to send it to Vladivostok for the long and difficult overland haul.

GREW

711.94/9-541

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁸⁹

[WASHINGTON,] September 5, 1941.

The chief danger attendant upon the holding of a meeting between the President and the Japanese Prime Minister is that if such a meeting is held there must emanate from it an agreement. The only kind of an agreement that could possibly be arrived at would be an agreement in most general terms. Such an agreement would not (in the light of what we know of this country's attitude and policy and of what we are now given regarding Japan's attitude and policy) represent any real meeting of the minds of the two persons who would become parties to it, and still less would it represent a meeting of the minds of the people of the two countries thus committed by it. In

⁸⁹ Unsigned "Comment on the question of holding (at this time) a conference."

entering into such an agreement neither of the parties to it would intend or expect that his country would, by the consummation of that agreement, be diverted from its present principles, objectives, policies or even procedures. Each of the parties would be motivated in large part by political *fears* and *hopes*; each would be playing for time and hoping for miracles-to-come; each would be expecting that a make-shift and make-delay agreement would be advantageous for his side; each would be expecting to tell his own people far less than the whole truth about the meeting and about the agreement.

For the Japanese Premier, most of this would be "all to the good". Not so, however, for the American President.—The world is not expecting of Japan today any battle for peace, any support of high principles, any aid for countries resisting aggression: Japan is one of the three allied aggressor powers and Japan intends to remain in the Tripartite Alliance for a good while to come. The United States has proclaimed itself the "arsenal of democracy" in support of principles and in resistance to aggressor powers; the world expects of the United States that it will not compromise with any aggressor power and that, on the contrary, it will assist the countries which are being aggressed against by giving them aid (and comfort) and by withholding aid (and comfort) from aggressor powers.

The United States has done no injury to Japan or to the world. Japan has done injury both to the United States and to the world.

The holding by the President of the United States now of a rendezvous with the Premier of Japan would be, so far as the United States is concerned, a gesture born of lack of confidence in the present position (actual military capacity) of the United States. It would be utterly unlike the meeting between the President and the British Prime Minister. It would more nearly resemble meetings which were held between Mr. Chamberlain⁹⁰ and Mr. Hitler. Whatever might be said in some quarters of the "courage", the "vision" and the "nobility" of attempts to make and to maintain peace, this gesture would be construed and interpreted by, to and for the Japanese—and the Germans—as an indication of weakness and uncertainty on the part of the United States. And, it would give a terrific jolt to the Chinese and the Dutch and the Russians and even the British.

And then — — the agreement — — —. It would not put a stop to Japanese aggression. It would not bring to an end Japan's effort to conquer China: it would on the contrary tend to facilitate that effort. It would not give the United States any *time* that we would not have in the absence of it. It would not afford us security. It might, if we relied on it as a factor in our defense, lead us faster and more surely toward war—not war with Germany alone but war with

⁹⁰ Neville Chamberlain, former British Prime Minister.

Germany *and* Japan, a war from which on our side the Chinese and the Russians might be missing.

For, if the United States makes an agreement with Japan, there would be no reason for us to assume with any confidence that the Chinese would continue to resist Japan or that the Soviet Union would not make an agreement with Japan. Then, were there such developments, the world line-up would be the United States and Great Britain (two only) against the Tripartite Alliance (Japan included). [Note: A scrutiny of point *A* in the latest Japanese proposal⁹¹ indicates that the Japanese intend to retain their membership in the alliance and at the same time to "hunt" or not to "hunt" with their Axis partners according to their own "independent" estimate, at any moment, of relative advantages.]⁹²

The Chinese question is the central question now, and it will be that for a good while to come, in the problem of the Far East. That question cannot be disposed of without China's having a "say-so". And it cannot be disposed of between Japan and China without a military victory by Japan over China or a dissolution (which cannot be other than gradual) of Japan's military effort in and against China.

Whatever is necessary as a factual condition precedent for peace in western Europe is necessary, in broad terms of similarity, as a factual condition precedent for peace in eastern Asia.

To wean Japan away at this time—on paper or in appearance—from the Axis would be an achievement spectacular in aspect but of no substantial political or military value. For, Japan is not helping Germany except in a negative way (which she is doing only because the United States overestimates Japan's capacity to injure us) and Japan will not be helping Germany in any positive way unless and until the United States goes to war with Germany (at which time, if and when, it is problematical what Japan would do[]).

From point of view of United States interests: Conclusion of an agreement with Japan is not an urgent desideratum. We are not in great danger vis-à-vis Japan and Japan is not capable of doing us any great injury. Japan, involved and weakened as she is by the "Chinese incident", does not possess military capacity sufficient to warrant an attack by her upon the United States with any reasonable expectation on her part or ours of her defeating us in war. Were Japan to attack us, we could with a wisely strategic use of less than one-half of our Navy maintain a sound defensive position while we prepared for an ultimate offensive.

The degree of "tension" between the United States and Japan is exaggerated. The facts of the situation that now exists are working

⁹¹ This is point "(c)" in draft printed in *Foreign Relations, Japan, 1931-1941*, vol. II, p. 608; telegraphed text not printed.

⁹² Brackets appear in the file copy.

real hardship to Japan (as a nation at war) but are not working any real hardship to the United States. This condition of "tension" can continue for an indefinite period without our suffering much. Were Japan to make war on us, she could interfere for awhile with our procuring of tin and rubber. But, there is a low minimum of likelihood that Japan will make war on us, for (a) there are easier wars that she might make nearer home and (b) she is already at war with China and making out none too well there, and (c) she is waiting for clear signs—which are not likely to come in the near future—that the Germans are winning against either the Soviet Union or Great Britain. [If, however, Japan should get an agreement with us, the chance of her attacking the Soviet Union would be substantially increased.]⁹³ There is little for us to gain but much for Japan to gain should a conclusion now of an agreement between the two countries be consummated. We are not "in a hole" and we need no helping out. Japan is "in a hole", she needs helping out, and she is trying to get us to be her helper. [But at the same time she is neither willing nor able to give up her position in the Axis Alliance.]⁹³ She is half whipped in her war with China—and she hopes that, with the "lift" that conclusion of an agreement between her Premier and the President of the United States would give her, she will either be able to knock out China or be able to avoid being knocked out by China.

711.94/2344,³

*Memorandum by Mr. Joseph W. Ballantine*⁹⁴

[WASHINGTON,] September 5, 1941.

The new Japanese proposal,⁹⁵ although there is some ambiguity as to what is intended, appears in many material respects to differ both in spirit and in the letter from the principles which we consistently stood for in the informal conversations with the Japanese Ambassador and which Konoye has stated that he stood for. The principal differences are as follows:

(1) Japan offers to make no commitment in regard to the nature of the terms which Japan will offer to China. There is no assurance of an intention by Japan to respect China's territorial integrity and sovereignty, to refrain from interference in China's internal affairs, to treat China as an equal, and to conform to the principle of nondiscrimination in international commercial relations.

(2) The proposal that "so long as the economic activities of the United States in China are carried out on an equitable basis, such activities will not be restricted" clearly implies that it is a matter for

⁹³ Brackets appear in the file copy.

⁹⁴ Noted by the Secretary of State.

⁹⁵ See *Foreign Relations, Japan, 1931-1941*, vol. II, p. 597.

decision by Japan as to how American trade and commerce in China is henceforth to be conducted.

(3) The entire spirit of the Japanese proposal seems to imply that the destiny of the Western Pacific area is a matter to be settled between Japan and the United States without reference to the rights, interests and wishes of the other countries affected.

Whereas the original proposals contemplated that the United States, after being satisfied that Japan intended to seek terms for a peace settlement with China which would be reasonably fair and just to all concerned, would exercise its good offices to bring the Chinese and Japanese Governments together into direct negotiations, the present proposal does not appear to contemplate such good offices by the United States, but that Japan will undertake directly to bring about a rehabilitation of Sino-Japanese relations and that the United States would refrain from taking measures "which would prejudice Japan's efforts to settle the China affair". This clearly indicates that Japan expects that if the United States should discontinue aid to the Chungking Government, Japan would be in position to force the Chungking Government to seek a peace with Japan and that Japan will be able largely to dictate that settlement.

711.94/2255 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 6, 1941—10 a. m.

[Received September 6—6 a. m.]

1406. For the Secretary and the Under Secretary only. Broadcasts from American stations during the past few days continue to stress in various ways that "Japan has surrendered to the United States". As press and radio comment of this character is likely to become known here, especially among military and naval circles, in spite of the censorship, I venture to refer to the Embassy's 1355, August 30, 6 p. m., paragraph 7, in the hope that the Administration may wish to give the American press and radio a "leader" tending to counterbalance publicity which might seriously prejudice the success of the current conversations with the Japanese Government.

GREW

861.24/613 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 8, 1941—1 a. m.

[Received 2:10 a. m.]

1419. At the instance of the Foreign Minister, the Chief of the American Bureau called this morning and said that he wished me to

take note of the fact that the Soviet Government had planted many mines, presumably in its territorial waters, and that some of these mines had become loose and were now floating in the open Sea of Japan. He was under the impression that at least one Japanese fishing vessel had been damaged by the explosion of one of these mines.⁹⁶ No reference was made to American vessels proceeding to Vladivostok but the implication was obvious.

GREW

711.94/2280

Memorandum by the Secretary of State of a Conversation With the British Chargé (Campbell)

[WASHINGTON,] September 8, 1941.

Minister Campbell called at his request. He inquired about the Japanese situation. I told him that all of the recent publicity about an agreement this week or at any particular time in the future was propaganda. I said that, speaking in great confidence, the Government officials in Japan were putting out reports to such an effect, presumably on the theory that it may enlist support of public opinion and check the efforts of the extreme elements in Japan to carry public opinion in the opposite direction. The Minister thought the greatest difficulty about the Chinese-Japanese matter would be Manchuria, so far as a settlement might be concerned. I indicated to him that the Japanese Government might be disposed to settle with China in other ways provided that the Japanese acted in good faith and could so satisfy the Chinese. I made it clear to the Minister that negotiations were still in an exploratory stage and that a number of basic matters would have to be discussed and settled before we would be in a position to take up the matter in earnest with the Chinese, the British and other interested countries; that I doubted if that situation ever would develop and that, in my opinion, delaying the possible expansion movements of Japan,⁹⁷ which I have had in mind since last spring, was still a matter of primary consideration.

C[ORDELL] H[ULL]

⁹⁶ Similar information was given to the Department by the Japanese Embassy in a note of September 15 (861.801/67). An Embassy representative added, "to prevent any misunderstanding on the part of the United States in the event American vessels collided with Soviet mines."

⁹⁷ Pencil notation by the Chief of the Division of Far Eastern Affairs (Hamilton) on his copy of this memorandum: "At the Secretary's suggestion, I stressed to Sir Ronald Campbell today the need to safeguard against publicity. Sept. 16, 1941." (FE Files, Lot 244.)

711.94/2268 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, September 8, 1941—8 p. m.
 [Received September 8—3:30 p. m.]

1427. For the Secretary and the Under Secretary only. Department's 566, September 6, 5 p. m.⁹⁸ I have given careful thought to the proposed plan for the army transport *Pierce* to call at Yokohama on or about September 22 to embark American citizens,⁹⁹ and I strongly recommend that consideration of the project be deferred until decision is taken by our Government with regard to the Japanese proposal for a conference between the President and the Japanese Prime Minister. If a negative reply is returned to the latter proposal, which I most earnestly hope will not be the case, I shall expect to submit immediately certain recommendations with regard to the evacuation of American citizens. But so long as decision is pending on this most important proposal, it would seem highly desirable to defer the sending to Japan of a public vessel on an emergency call, which would be attended by the utmost publicity and by undesirable speculation and excitement, all of which would inevitably be taken by the Japanese Government as indication of intention on the part of our Government to reject the proposal. If the meeting is arranged, I do not think that an evacuation ship should come at this time.

The outlook with regard to steamship accommodations to Shanghai for American citizens, which is discussed in our immediately following telegram,⁹⁸ has improved considerably.

GREW

894.20211/9-841

The Acting Attorney General (McGuire) to the Chairman of the House Special Committee on Un-American Activities (Dies)

WASHINGTON, September 8, 1941.

MY DEAR MR. CONGRESSMAN: In your letter of August 27, 1941, addressed to the Attorney General,¹ you stated that if the Attorney General had no objection, you would suggest to your Committee the advisability of conducting public hearings to receive evidence regarding Japanese activities in the United States.

The Attorney General has discussed the situation with the President and the Secretary of State, both of whom feel quite strongly

⁹⁸ Not printed.

⁹⁹ See also vol. v, pp. 397 ff.

¹ Not printed; Francis Biddle was Attorney General.

that hearings such as you contemplate would be inadvisable. The Attorney General is of the same opinion, and accordingly is unable to approve the course which you have in mind.

Sincerely yours,

MATTHEW F. MCGUIRE

711.94/2262 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 9, 1941—11 a. m.

573. For the Ambassador and the Counselor only. Your 1405, September 5, 10 p. m., and 1413, September 6, 10 p. m.³ The Japanese Ambassador delivered to me on September 6 the proposals⁴ communicated in your 1384, September 4, 9 p. m.⁵ and we are studying these proposals.

The assurances of the Japanese Prime Minister that the Japanese Government fully subscribes to the four points which I enumerated as a basis for a reconstruction of Japanese-American relations are very gratifying as are also the manifestations of his earnest desire to achieve success in his present efforts.

With reference to the observations contained in numbered paragraph 4 of your 1413, our doubts do not relate to the question whether the Konoe Cabinet can carry out the terms of an agreement based upon the proposals which it has made to us but to the question whether the Konoe Cabinet can agree to and carry out the terms of an agreement consistent with the principles and procedures which we have suggested: terms which would be fair and just to China, duly considerate of the rights and interests of all powers concerned in the Far East, and substantially contributory toward creation and maintenance of peace with stability, order, and justice. The present hostilities between China and Japan constitute a fundamental factor in the problem of a general Pacific settlement, and consequently, the reaching of an equitable adjustment by China and Japan of their difficulties is essential to any general settlement of Pacific problems which could be expected to ensure future peace and stability in that area. The original Japanese proposal called for the exercise of good offices by the President, and we told the Japanese that we could not approach the Chinese Government with a suggestion that it enter into negotiations with Japan unless we were informed of the basic terms which Japan

³ Neither printed, but see memoranda by the Ambassador in Japan, September 5 and 6, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 600 and 604.

⁴ *Ibid.*, p. 608.

⁵ Not printed, but see Ambassador Grew's comment, *ibid.*, p. 594.

proposed to offer and unless we were satisfied that these terms were in harmony with the principles to which this Government was committed. We reached an impasse in our discussion of these terms because of the insistence of the Japanese upon stationing troops for an indefinite period in Inner Mongolia and North China and because we were unable to obtain explicit commitments in regard to the application of the principle of non-discrimination in international commercial relations to Japan's proposed program of economic cooperation with China. We have contended throughout for an agreement the objective and the provisions of which shall relate to comprehensive peace in the Pacific and Eastern Asia.

The latest Japanese proposals apparently seek to bridge the impasse not by meeting us on these points but by undertaking that Japan shall deal with China directly on the assumption that, as our good offices are not to be invoked, we would not be concerned with the nature of the peace terms which Japan proposes to offer to China or with developments in the conflict between those two countries. Such an assumption overlooks or disregards our intention, which we have repeatedly made clear to the Japanese Ambassador, before we undertake to enter into any definitive negotiations with Japan relating to a settlement covering the Pacific area, to consult with the Governments of China, Great Britain, the Netherlands, et cetera. This is because we regard the peace of the Pacific not as a matter to be disposed of by Japan and the United States but as a matter in which the other interested powers have a rightful concern and inevitable responsibilities. Nor would this Government enter into any agreement restricting the measure of assistance that this Government is now according or in future may wish to accord countries which are resisting aggression. It may be assumed that the Chinese Government no less than the Japanese Government is desirous of reaching a peaceful settlement of its difficulties with Japan and that consequently if the Japanese Government is prepared to offer the Chinese Government fair and just terms the two countries would be able to resolve their difficulties. In such a case, there would appear to be no need for a provision such as that contained in item A of the proposed commitments on the part of the United States.

In view of the foregoing considerations, it is obvious that a solution of the difficulties above-mentioned must await some further initiative on the part of the Japanese Government. You may in your discretion discuss the foregoing points with the Prime Minister and the Foreign Minister. It occurs to us also that it might be helpful if you could obtain answers to certain preliminary questions which suggest them-

selves. Those answers might serve to throw further light upon the intent of the Japanese Government. Among these questions are:

1. In Item "A", Japanese provisional commitments, Japan indicates its readiness to concur in the points already tentatively agreed upon in preliminary informal conversation with Washington. Does this mean points on which the formulae appearing in our draft of June 21⁶ are identical to those in the draft which the Japanese Ambassador handed to the Secretary of State on September 4⁷ or in some previous draft?

2. Is it to be understood that the peace terms to be offered to China by Japan will conform to the several points in the annex to Section III of the Japanese draft of September 4⁸ above referred to?

If the answer to question 1 above is in the affirmative, it would appear that the provisions of a number of the stipulations in the Japanese proposals contained in your 1384 are more restrictive than are the commitments called for in the formulae previously tentatively agreed upon. For example, in Item "F" Japan commits itself to observe the principle of non-discrimination in international commerce in the region of the southwest Pacific. Does this mean that Japan does not bind itself similarly in respect to its economic activities elsewhere, especially China? In relation to this general question it is believed that further clarification is desirable of what is meant by the provisions of Item "E" in regard to the economic activities of the United States in China. That is to say, what is meant by an "equitable basis" and whether it is implied or rightly to be inferred that Japan is to be the judge of what constitutes an equitable basis?

In taking up these questions with the Minister for Foreign Affairs you should indicate that other questions may arise in our minds in the course of our further study.

With regard to the formula contained in Item C having to do with the attitude of the United States and of Japan to the war in Europe, although we feel that the formula does not satisfactorily meet the situation—it seems to leave Japan free to interpret any commitment "independently"—we should like to give the matter further study before offering any suggestions.

While the Department perceives no objections to your carrying on conversations paralleling those here with a view to obtaining further elucidation of the intent of the Japanese Government, it is felt that, as the subject is a matter in which the President has a close and active interest, any definitive discussions concerned with the reaching of an agreement on principle should continue to be conducted here.

HULL

⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 486.

⁷ *Ibid.*, p. 597.

⁸ *Ibid.*, p. 599.

711.94/2262 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 9, 1941—8 p. m.

579. For the Ambassador and Counselor only. Department's 573, September 9, 11 a. m. We have not yet taken up with the Japanese Ambassador the points outlined in the Department's telegram under reference except of course as we have repeatedly covered the subject matter of the third and fourth paragraphs in the course of conversations prior to the receipt by us of the Japanese Government's recent proposals. The Ambassador has made an appointment to see me on the morning of September 10⁹ at which time I shall expect, if opportunity, to discuss the subject with him along the lines indicated in the telegram above referred to.

HULL

793.94/16839 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, September 10, 1941—6 p. m.

[Received September 10—12: 25 p. m.]

383. The Minister for Foreign Affairs sent for me this afternoon and expressed the hope that the President will say something helpful and reassuring to China in discussing the Far Eastern situation in his speech on Thursday.¹⁰ However, notwithstanding all the material assistance China is receiving from the United States there is considerable uneasiness amongst the Chinese public generally regarding the American-Japanese conversations. In discussing what he understands to be the proposals involved in those conversations he commented: (1) that the proposed regional arrangement would permit Japan to gain a breathing space and concentrate her whole strength against China, and (2) that whatever may be the result of the conversations it is hoped that economic pressure against Japan will not be in any way relaxed as long as her aggression continues in China. I learned that these observations have been communicated to the Chinese Ambassador at Washington. He also told me that contrary to his usual practice the Generalissimo is receiving the representative of the United Press and giving him an exclusive interview to the general effect that China has borne the burden in the Far East

⁹ See memorandum of September 10, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 613.

¹⁰ For radio address on September 11, see Department of State *Bulletin*, September 13, 1941, p. 193.

for over four years and notwithstanding any regional arrangements, China will continue to fight Japanese aggression.

GAUSS

711.94/2272 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 10, 1941—7 p. m.

581. For the Ambassador and the Counselor only. Your 1438, September 10, 6 [7] p. m.¹¹

In the draft handed the Secretary by the Japanese Ambassador on September 4 the Preamble, Sections I, IV (including the annex thereto), VI, and VII are identical with our June 21 draft. Section II is identical except that the note and the proposed exchange of letters are omitted. Section III is identical with the Japanese draft of June 15.¹² Section V is identical with our draft of June 21 except for the insertion of the words "for the production and procurement" after "commercial supplies". There is an annex to Section III which is materially different in respect to a number of points from that in the draft of June 21, but as the Japanese Ambassador told us on September 10 that the September 4 draft is not official¹³ the text of the annex is not being telegraphed.

HULL

793.94/16871

*Memorandum of Conversation, by the Third Secretary of Embassy in China (Service)*¹⁴

[CHUNGKING,] September 10, 1941.

Present: The Minister of Foreign Affairs, Dr. Quo Tai-chi.

The American Ambassador, Mr. Gauss.

Mr. Service.

The Ambassador called on the Minister of Foreign Affairs this afternoon at the latter's request.

The Foreign Minister opened the conversation by referring to the recent statements regarding negotiations at Washington between the governments of the United States and Japan. He said that these reports, and the failure of the President to refer specifically to Japan

¹¹ Not printed, but see memorandum by the Ambassador in Japan, September 10, 1941, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 610.

¹² *Ibid.*, pp. 473, 475.

¹³ See memorandum of September 10, 1941, *ibid.*, pp. 614, 615.

¹⁴ Copy transmitted to the Department by the Ambassador in China in his covering despatch No. 134, September 11; received September 25.

in his recent speeches and statements, had given rise to considerable uneasiness on the part of the general Chinese public; and that while he and the Generalissimo had confidence in President Roosevelt and the United States, they felt that it would be very desirable if the President in his forthcoming speech on September 11 would make some reassuring and helpful reference to China. He asked that the Ambassador transmit this request to Washington.

The Foreign Minister went on to say that the Generalissimo was granting an exclusive interview to the United Press correspondent in Chungking. He mentioned that this was not the usual practice of the Generalissimo who had not received the foreign press for some time; but that he had urged the Generalissimo to grant the request of the United Press and to use the opportunity to issue a statement. The Minister said that the statement would be to the general effect that China has borne the brunt of the fight against Japan and Japanese aggression for over 4 years and has sacrificed much blood and treasure, that it does not regret these losses and will continue the struggle to a successful conclusion regardless of what may happen, but that it believes any negotiated peace or arrangement with Japan not to be to the advantage of China, nor, in the long view, to the advantage of the United States because Japan is the enemy of all other powers in the Far East.

At this point the Foreign Minister made some remarks on Chinese morale. He acknowledged general appreciation of American material aid to China and said that the announcement of the sending of an American military mission to China offset the failure to refer to China in the statement following the Roosevelt-Churchill meeting. But in a general way he gave the impression that the Chinese people felt that they had suffered a great deal during the past 4 years and that they were apt to be easily discouraged by suggestions that they are not receiving wholehearted support from the United States.

The Minister then said that the Chinese Government had received "rather definite information" that the negotiations in Washington had reached a fairly concrete stage; that after the Roosevelt-Churchill meeting the United States, with British support, had presented to the Japanese a proposal along the following general lines: Japan, together with France, Thailand, China and the other concerned countries, to agree to the neutralization of Thailand and Indochina, and Japan in return to be granted access to raw materials sufficient for her "legitimate needs". The Konoye letter, he said, had indicated Japan's general acceptance of these principles, with the modification that Japan be entitled to keep not more than 10,000 troops in Indo-China. The Foreign Minister appeared to think that this had been agreed to by the United States after Japan had given a general under-

taking not to increase or strengthen the bases or fortifications in Indo-China, and not to embark on any "new military adventures".

The Ambassador indicated an interest in the source of the Minister's precise information on the subject. The Foreign Minister stated that Ambassador Hu Shih had reported only the neutrality suggestion; the rest of the information concerning the Konoye letter had come from "other sources". Mr. Gauss, explaining that he was uninformed of any proposals or arrangements such as those outlined by the Foreign Minister, read to the Minister a paraphrase of the Department's telegram no. 209 of September 2, 10 a.m. [*p.m.*] in regard to the informal exploratory conversations which had been proceeding for some time but had reached no conclusion. The Foreign Minister asked the Ambassador to reread the sentence regarding the consideration only of proposals conforming with basic American principles. He commented that the statement was "very general".

Having indicated his confidence in the reliability of his information, the Foreign Minister turned to a discussion of the effect such an agreement would have upon China. It would first, he said, relieve pressure on Japan. He admitted some uncertainty as to when the promised access to raw materials for Japan was to come into effect—whether immediately or not until after conclusion of peace—but indicated his strong belief that it would result in prompt relaxing of the economic restraints (freezing of funds and export control) which Japan was now beginning to feel very severely. At the same time, by relaxing the pressure on Japan (the Foreign Minister here appeared to refer also to political pressure) it would give Japan a breathing spell to watch international developments. The second general effect would be, by reducing the scope of Japan's activity, to make it possible—and likely—for it to devote a larger share of its strength and resources to the exploitation and further conquest of China. The Foreign Minister expatiated at some length on this latter point, and said that China could not view the proposal as isolated from the general situation in the Far East and that it could not be expected to welcome an arrangement which would inevitably, directly or indirectly, work to China's disadvantage.

The Foreign Minister then made some remarks along lines suggesting that the proposed agreement was also not to the interest of the United States. He mentioned the unreliability of the Konoye government or of any government in Japan, and said that any agreement entered into by one government could be easily disavowed by a succeeding cabinet. He went on to say that, according to his information, the line followed by Ambassador Nomura in Washington has been to promote the impression that there is still a liberal element in Japan, which if given a chance might be able to overcome the more

extreme influences in the country; but that, if Japan continues to be subjected to pressure, the Konoye government will be overthrown and this so-called liberal element will be submerged by a government of military men. The Minister referred to the tactics used by Japan in 1931 when the Japanese Ambassadors in Washington and London were successful in pleading that it was better to give the liberal government a chance than to force its overthrow, and compared that situation with the present. He remarked that the "liberal" elements in Japan had never succeeded in winning out over the extremists. Developing this idea, he said that, just as the Japanese militarists have set up puppet governments on the Asiatic continent, so also they had organized puppet governments in Japan, and that Konoye's cabinet was nothing more than a puppet of the military, intended to serve as a stop-gap and to be gotten rid of when no longer useful. Adverting to the desire of the Japanese to gain time; he appreciated that the United States and Great Britain might also wish to delay a crisis. But he felt that Japan had more to gain by delay than the United States.

The Ambassador referred to reports of differences of opinion between Japanese military and naval groups, the latter perhaps being now disposed to seek some settlement in the Far East. The Foreign Minister did not entirely agree. He said that there were factions and divisions of opinion in the Japanese Navy just as in the Army; that undoubtedly a more conservative section of the Navy hesitates to risk an encounter with an opponent as strong as the United States; but that the extremist element in Japan was still strong and the situation might be forced by other factions such as the Army. As an indication of the strength of these extremist elements and their dissatisfaction with the policy of the present government, he mentioned the recent assault on Baron Hiranuma who he believed was selected as the victim because he, rather than Prince Konoye, was actually the strongest member of the cabinet.

The Foreign Minister then turned to a discussion of what he termed the community of interests between China and the United States and the mutual advantage of the two countries "sticking together". He twice made a statement to the effect that for material as well as for moral reasons, for strategic as well as for political considerations, the United States should support China.

The Ambassador asked the Foreign Minister for his opinion of the likelihood of a Japanese attack on Russia. The Minister again referred (in vaguer terms, however, than before) to the reported provision that Japan would not embark on fresh military undertakings. But he indicated his opinion of the worth of this by saying that he thought the chances of an attack still good. He went on to say that

the equivalent of five divisions of Japanese troops had now been withdrawn from China, that extensive military activity continued in Manchuria, and that winter would not deter the Japanese from operations in Siberia in as much as their mechanized equipment could continue to operate and might find the freezing of the rivers an actual advantage.

The Ambassador asked whether there had been any recent Japanese peace overtures toward China. The Minister replied: "Yes, in Washington". He said that he felt that he enjoyed the complete confidence of the Generalissimo in this respect and that he was sure the Generalissimo would not receive any proposals for a negotiated peace with Japan. He said he understood, however, that "sometime ago" the Japanese had asked President Roosevelt to put Tokyo and Chungking in touch with each other, but that the President had declined, giving as his reason that if the Japanese wished to make peace with China there was nothing to prevent them from approaching China directly.

The Foreign Minister then made some remarks concerning general principles of the democracies and said that the eight points agreed upon and announced by President Roosevelt and Prime Minister Churchill constituted the best statement of their policies and objectives that had so far been made. He added that this was "more than the United States had when it entered the last war".

The Ambassador brought the conversation back to its starting point by asking for a summing up of the views which the Minister wished him to communicate to Washington by telegraph. The Minister asked that there be included the hope that the President would make some favorable reference to China and that as long as Japan was continuing its aggression in China, the United States would not relax in any way the economic measures now enforced against Japan. He again referred to the subject of Chinese public opinion and said that much of what he had been saying was merely a repetition of writings of Chinese political commentators in the press. There followed brief mention of several recent articles in such papers as the *Central China Daily News*.

As he was taking his leave, the Ambassador said that he assumed that the Chinese Ambassador in Washington had been informed of the views of the Chinese Government regarding the proposed "arrangement" under discussion between Japan and the United States and that Dr. Hu Shih had communicated these views to the Department of State. The Foreign Minister remarked that Ambassador Hu Shih, whose attitude is that "one should not doubt a friend" may have been diffident about making China's position known. He said that he had this morning telegraphed to Dr. Hu telling him that he had invited the American Ambassador to come to see him today, and telling Dr. Hu Shih to make the Chinese views known in Washington; however,

he did not expect that Ambassador Hu would be likely to be able to see the Secretary of State immediately.

Mr. Gauss took his leave, saying that he would communicate the Foreign Minister's views to Washington.

J[OHNS] S[TEWART] S[ERVICE]

711.94/2275 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, September 11, 1941—5 p. m.

[Received September 11—10:12 a. m.]

1443. As indicated in Embassy's 1416, September 7, 2 p. m.,¹⁶ there is evidence that the extreme Nationalist elements in Japan are alarmed at the reports of negotiations between Japan and the United States. Petitions have been presented to the Prime Minister and there have been recent meetings of such organizations as the Tohokai and Nippon Seisanto undoubtedly intended to strengthen the pro-Axis forces in Japan. Large posters have now appeared on the streets announcing a mass meeting of the Tohokai to be held September 13 at which Seigo Nakano, one of the extremist leading authorities, reported recently to have been arrested for investigation, is scheduled to speak. The posters bear the German and Italian insignia.

It is recalled that the editor of the *Gaiko Jiho* (*Revue Diplomatique*), expressing the moderate view and supporting diplomatic negotiations with the United States (Embassy's 1429, September 8, 11 a. m. [*p. m.*]¹⁶) warned against the use of direct actions by elements who might not understand the true situation. Certainly the extremists will bend every effort to block any trend of policy away from the Axis and some action by them to forestall such a development is not impossible. The leading article in the August issue of the monthly magazine *Nippon Hyoron* entitled, "Great Japan on the eve of decisive world war", by the notorious Kingoro Hashimoto (who commanded the battery that fired on the *Ladybird*¹⁷ and was later active in the Imperial Rule Assistance Association), severely criticised the Government for lack of strength, intimates that compromise is being made with liberalistic elements and points out that the Imperial Rule Assistance Association has failed because it attempted to amalgamate liberalistic and totalitarian elements. He points out as absolutely necessary the construction under Japan's leadership of an

¹⁶ Not printed.

¹⁷ British ship fired upon by Japanese at Wuhu, December 12, 1937, same day as sinking by the Japanese of the U. S. S. *Panay*. See *Foreign Relations*, 1937, vol. iv, pp. 487 and 498-499.

Asia bloc facilitated by cooperation with Germany and Italy. He condemns opportunism in Japan's national policy and said that groups which he supports are now working to the end that Japan's political power will be strengthened in order that the nation may derive the maximum advantage from world developments.

Hashimoto, in another article appearing in the *Hochi*, states that the forces attempting to overthrow the Axis are futile and that Japan can find no point of agreement in the Joint Roosevelt-Churchill message. He condemns statesmen "who resist truth" and appeals for a new leader for Japan.

Yoshitaro Shimizu, a commentator of pro-Axis views who has contributed a number of articles to the press in recent weeks, warns in the *Hochi* against any step by Japan which might affect the significance of the war in China. Reference is made to the Konoye message to the President¹⁸ and the fact that its contents are yet unknown to the nation. The writer expresses apprehension lest Japan admit the United States claims for the open door and equal opportunity in the Far East, stating that American funds would immediately pour into China, establish financial control dangerous to Japan, and develop munitions industry in China, and that anti-Japanese movements would then arise in China supported by our economic power. Shimizu concludes, "If Japan should fall victim to the machinations of the United States, the American dollar would come to control all of East Asia against which Japan would be able to do nothing. An attempt to escape at this moment of world crisis would bring the fall of Japan. Every Japanese demands that the meaning of the Holy War not be lost and that the sacrifice of tens of thousands of lives in the China campaign not be in vain".

GREW

740.0011 Pacific War/1104

The Chief of Naval Operations (Stark) to the Secretary of State

Op-10 Hu

WASHINGTON, 11 September, 1941.

You may recall asking me in effect:—

"What we should do in case the Japs close entrance into the Sea of Japan, thereby shutting off Vladivostok to United States shipping?"

My feeling is that we should not acquiesce in this action unless Japan and Russia are legally at war.

Should Japan make a declaration closing entrance to the Sea of Japan I believe we should tell her we refuse to recognize such action, that we should continue to ship goods under the United States flag,

¹⁸ August 27, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 572.

and that we should provide naval escort for our flag vessels. Unless she and Russia are legally at war, she has no right whatever to tell us our ships cannot go through the Sea of Japan to Russian ports. I do not know how it could be worked, but if Japan could realize this now perhaps she would not issue any such proclamation.

If, however, the United States were to decide to acquiesce in such a Japanese declaration, our shipping would need to be diverted to other ports.

Alternate routes for sea-going vessels are :

- (a) Via Nikolaevsk
- (b) Via Archangel
- (c) Via Petropavlovsk
- (d) Via Persian Gulf

[Here follows a brief analysis of each of the suggested alternate routes.]

Sec[retary] Knox has read this.

H[AROLD] R. S[TARK]

894.00/1103

The Acting Assistant Chief of Staff, Military Intelligence Division (Miles), to the Chief of Staff (Marshall) ¹⁹

[WASHINGTON,] September 11, 1941.

Subject: Political Developments in Japan.

1. A United Press dispatch from Tokyo dated September 11, 1941, gives the following information :

“Emperor Hirohito today took direct command of Japanese Army Headquarters and moved to assure close Army collaboration with Premier Fumimaro Konoye’s Government, which appeared to be trying to keep Japan out of war even if that meant drifting away from her Axis ties.”

2. Major developments are reported as follows :

a. Establishment of a new Defense General Headquarters under General Otozo Yamada. Yamada is personally responsible to the Emperor and becomes virtual Generalissimo of the Army superseding previous emphasis on General Staff control.

b. Appointment of Fumio Goto, former Home Minister, as chairman of the Central Cooperative Council of the Imperial Rule Assistance Association, replacing Admiral Suetsugu.

c. Entertainment of the Cabinet at luncheon by the Emperor, “in appreciation of its outstanding services to the State.”

¹⁹ Copies transmitted by the War Department to President Roosevelt and the Secretary of State.

3. A proper evaluation of this news is impracticable at this early date but a definite trend seems indicated—a trend away from the Axis and toward better relations with the United States and Great Britain. The new system is interpreted as an effort to strengthen the civilian government, check militaristic domination of Imperial Policy, and erect a barrier to possible dissatisfaction among the militarists with the future course of events.

4. General Yamada is a conservative, of great energy and ability. It is reported that he stands high in the Emperor's favor. Goto is likewise a conservative and replaces one of Japan's worst jingoists. The action of the Emperor in taking direct command of the Army and his giving prestige to the Cabinet by inviting it to luncheon, and publicly thanking it is unprecedented.

5. Barring a massacre of the conservatives by the militarists, an event deemed unlikely in view of the Emperor's action, it is probable that Japan will find a peaceful way out of one of the greatest crises in her history and seek a means to realign her foreign policy in an anti-Axis direction.

SHERMAN MILES

Brigadier General, U. S. Army

711.94/2281a : Telegram

The Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, September 12, 1941—6 p. m.

213. For the Ambassador only. Reference your 383, September 10, 6 p. m., and 384, September 11, 7 p. m.²⁰ The Chinese Ambassador called at his request on September 4 and inquired about the reported conversations between this country and Japan. I told him that casual or exploratory conversations were going on; that they have not disclosed as yet any common basis for negotiations; and that this Government would expect to discuss the entire question with the Chinese Government and the Ambassador before even considering any negotiations affecting the situation in China. I added that similarly we would talk with the Australians, the Dutch and the British.

During the conversations with the Japanese we have had continuously in mind the question of a general settlement of Pacific problems on the basis of fundamental principles which this Government has long believed constitute the only sound basis for stable relations between nations. Any sort of arrangement allowing for the continuance of aggression in China has not been given any consideration whatsoever.

²⁰ For No. 384, see vol. v, p. 537.

The course which this Government has been and is pursuing in its relations with both China and Japan is based upon certain well-known fundamental principles and policies which this Government has no intention of sacrificing. The political and economic measures which this Government has taken with respect to Japan have been the result of the development of certain situations and conditions in China and other areas in the Pacific, including the expressed attitude of the Japanese Government toward the program of world conquest of Hitlerism. It is not to be expected that those measures will be altered or done away with until the situations and conditions which gave rise to them have been altered or done away with. Similarly the policy of this Government in aiding any nation resisting aggression is based upon fundamental principles including the principle of self-defense. It is a policy which has been fully endorsed by the Congress and by the vast majority of the American people. So long as aggression continues and so long as nations resist that aggression, those nations may expect to continue to receive in full measure the material, political and moral support of this nation.

You are authorized in your discretion to inform responsible Chinese Government officials orally and informally of the foregoing. You may care to inform those officials of statements which I have made in regard to this question at press conferences as reported, for example, in Radio Bulletins no. 207, August 30; no. 212, September 5; and no. 216, September 10.²¹

HULL

894.00/1099 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 12, 1941—7 p. m.
[Received September 12—3 : 32 p. m.]

1447. Three important and unusual events took place in Tokyo yesterday to which political significance must be attached. These events were :

- (1) A conference between the Cabinet and military headquarters, the news of which was announced and almost immediately suppressed ;
- (2) A dinner tendered by the Emperor to the entire Cabinet and a few other high officials publicly announced as an expression of gratitude by the Emperor for their loyal service to the nation ;
- (3) The establishment of a unified military command directly responsible to the Emperor to embrace all military jurisdictions in Japan proper, Chosen, Taiwan and Karafuto.

²¹ See also Department press releases issued on September 5, 8, and 10, Department of State *Bulletin*, September 6 and 13, 1941, pp. 179, 201, and 202.

While an appraisal of the significance of these steps must necessarily be speculative, it is obvious that the main purpose of the dinner was to convey to the Japanese people the Emperor's expressed support of the policy and measures of Prince Konoye and the Cabinet, with a view to counteracting the present mobilization of dissident and opposing elements, especially pro-Axis elements, which may be given expression tomorrow in a scheduled meeting of the Tohokai and other extremist and pro-Axis groups with a proposed speech by Nakano, prominent exponent of right wing sentiment. Since Japan's conclusion of the tripartite pact a year ago was given imperial sanction, it follows that the present efforts of the Government to effect a reorientation of policy toward a reconstruction of relations with the United States, even while the Government still subscribes to the letter if not the spirit of the tripartite alliance, needed some similar manifestation of imperial approval, and while an imperial rescript could be issued only in the event of some concrete agreement with the United States, it is probable that domestic considerations required some preliminary indication of imperial support. This was accomplished by the dinner, a gesture clearly indicating the Emperor's support of the Prime Minister.

The establishment of a unified military command under the direct control of the Emperor and the placing of almost unprecedented powers in the hands of General Yamada as Commander-in-Chief of the National Defense General Headquarters, concurrently with his duties as inspector general of military education, may indicate the serious concern of the Government at the potential danger of outbreaks in opposition to its current policies, the step being reinforced by the declaration that the new defense organ be made directly responsible to the Emperor. Some significance may be attached to the fact that General Yamada was placed in command of the military academy immediately following the May 15, 1932 assassinations, the implication being that he was selected both at that time and at this to enforce discipline and to throw the weight of his personality against the direct actionist elements. Quite apart from the necessity of controlling political malcontents there can be no doubt that the progressive economic effects of the American freezing order are likely to give rise to domestic discontent, and it is possible that this factor was also influential in the establishment of the new command.

While the new unified command does not embrace the Kwantung Army nor the forces in China or in Indochina, the recent appointment of Yoshizawa²² as envoy to Indochina, and of Kuruoma as Secretary General of the mission may be regarded as significant in

²² Kenkichi Yoshizawa, former Japanese Minister for Foreign Affairs, who headed the mission to the Netherlands East Indies.

view of Government's desire to curb further expansionist tendencies of the military forces in that quarter.

The Japanese press interprets the creation of the general defense headquarters as a step toward consolidation of the "home front" and of the nation's defenses against foreign attack. Sufficient information is not yet available to permit an accurate estimate of the power to be invested in this new army organ nor of its relationship to the Imperial headquarters, the General Staff, and the War Ministry. Its establishment may mean that Japan has proceeded one step farther in a program leading to eventual war or simply that ordinary defense precautions are being taken. The more tenable view now seems to be, as expressed above, that the Government is seeking sure control of the internal situation.

GREW

711.94/2287 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, September 14, 1941—1 p. m.

[Received 1:06 p. m.]

388. Despite local censorship of all news of rumored terms of an American-Japanese agreement (such as Hong Kong newspapers report having appeared in the American press) the Japanese [*Chinese*] press has continued to devote considerable comment to the subject with a noticeable trend toward growing anxiety. The Churchill speech on August 24 broke the news of the conversations in Washington, the first reaction was to dismiss them as a final warning of the democracies to Japan and an indication that a showdown by force was imminent. During the next few days American statements of principle were reviewed and confidence expressed that America would consult fully with China and base any settlements on the Nine Power Treaty and the recently announced eight points, the last of which, disarmament of aggressors, was especially welcomed. The belief was expressed that Japan's ambitions were incompatible with these principles and any agreement with the United States hence impossible. The announcement of the sending of the American military mission to China was hailed as a definite indication that appeasement was dead and that the United States was preparing for military and strategic collaboration with China extending even beyond material aid.

About the first of September and after the news of the Konoye letter to the President,²⁸ the burden of editorial comment changed to the belief that Japan was the leader in the negotiations because it was feeling the effects of economic measures, feared the United States' growing

²⁸ August 27, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 572.

strength and desired a breathing spell to await international developments and a favorable time for further aggressive action. Japan was therefore insincerely offering the bait of withdrawal from the Axis and putting up the smoke screen that pressure on Japan would cause the pseudo-liberal Konoye Cabinet to fall and its place to be taken by an extremist Military Government. Most editorials then turned to "warning" the United States of Japanese duplicity. For instance, the *Central Daily News*, the official organ of the Kuomintang, on September 10 recalled Japan's efforts in 1931 to persuade the United States that any strong action would play into the hands of the militarists. The omission by the President in his Labor Day speech²⁴ of any reference to Japan or the Far East was generally noted.

The news of Secretary Hull's conversation of the fourth with the Chinese Ambassador in Washington received favorable comment. But as there remained no concrete news of the negotiations other than that numerous conferences were being held in Washington and that there was great anxiety in Tokyo (the report that Ambassador Grew had personally seen the Japanese Foreign Minister 12 times in a week received wide notice) the general tone turned to one of gloom and discouragement. This was almost openly acknowledged in comment on the interview given by Generalissimo to the United Press on September 10 (news of which was not printed locally until September 12 under a New York dateline).

All papers applauded the statement that, come what may, China is determined to fight, and, among others expressing the same sentiment, the *Shih Hsin Pao*, an H. H. Kung paper, stated that "coming as it does on the eve of President Roosevelt's speech,²⁵ and while negotiations, the terms or subjects of which are unknown, are proceeding at Washington, the statement is a great stimulus to the spirit of the Chinese people".

The growing concern culminated in a lengthy article on September 12 (before report of the news of the President's speech) in the *Ta Kung Pao*, probably the most influential newspaper in China. The gist of this article is as follows: many Chinese are saying that Chamberlain's broken umbrella is being resurrected and labelled American-Japanese agreement. We hope that President Roosevelt will give attention to three points:

(1) The unswerving, even though unacknowledged allegiance of Japan to the Axis and the intimate relationship between Axis policy in the Atlantic and Pacific. During the first stage of the war Germany's main objective was England and Japan's assigned task was to keep the attention of the United States centered in the Pacific so that it could not send its fleet to the Atlantic to aid Great Britain.

²⁴ September 1, Department of State *Bulletin*, September 6, 1941, p. 177.

²⁵ September 11, Department of State *Bulletin*, September 13, 1941, p. 193.

Since the attack of Russia the strategy has been reversed. Russia is now the main objective because its army is the only one that can directly threaten the Axis. It is therefore to be attacked from both east and west. To enable Japan to act it is necessary for it to delude the United States into an agreement so that pressure will be relaxed and the threat of the American fleet removed. To facilitate this, Germany by present ship sinkings is deliberately provoking the United States into moving its fleet into the Atlantic where it can now be of no offensive damage to Germany and Italy.

(2) That if it had not been for China's 4 years of resistance, Japan would have been much stronger and would have before now attacked the greatest of the democracies under more favorable conditions for success.

(3) The past experience of American leaders who have made agreements with Japan has invariably been disappointment. An outstanding example is that of President [Wilson] of the United States who with the best intentions toward China received promises from Japan which were later broken when the secret treaties came to light at the peace conference and the Shantung settlement²⁶ resulted.

GAUSS

711.94/2344½

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] September 15, 1941.

MR. SECRETARY: In your talk with the President this afternoon in regard to the Japanese proposals, you may wish to indicate that the Japanese Government's explanation, communicated to Mr. Grew on September 13,²⁷ of its proposals of September 6²⁸ do not appear to dispose effectively of difficulties on any of the points concerning which issues arose in your informal conversation with the Japanese Ambassador. On some points the statements of the Japanese Government are equivocal and ambiguous and some of the statements indicate a disposition on the part of the Japanese Government to narrow down and limit the application of fundamental principles with which the Japanese profess in the abstract to agree. The Japanese proposals are much narrower than one would have been led to expect from the broad gauge assurances given in the statement communicated to the President by the Japanese Ambassador on August 28.²⁹

The Japanese Ambassador has not yet come in with the Japanese Government's explanation and we are working on drafting comments

²⁶ See *Foreign Relations*, 1922, vol. I, pp. 934 ff.

²⁷ See memorandum by the Ambassador in Japan, September 13, 1941, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 620.

²⁸ *Ibid.*, p. 608.

²⁹ *Ibid.*, p. 573.

that might be offered to the Japanese Ambassador in response thereto. The comments would be in the nature of comparing the earlier Japanese assurances of a broad character with the narrower commitments on specific questions as contained in the Japanese proposals of September 6 and in the subsequent explanations offered by the Japanese Government.

711.94/2290 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, September 15, 1941—3 p. m.

[Received September 16—7:40 a. m.]

390. I informed Minister for Foreign Affairs orally of your 213, September 12, 6 p. m. He was obviously relieved and grateful for the information. Apparently, on the basis of reports from Chinese Ambassador, Washington, and other sources, the Government here has been under impression that American-Japanese conversations were directed principally toward possible *détente* for neutralization of Thailand and Indochina, with restoration to Japan of access to raw materials permitting Japan to restore her [its] strength and throw its full force against China. I hope the attitude of press and officialdom will now become less anxious.

GAUSS

711.94/2288 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 15, 1941—8 p. m.

[Received September 15—4:10 p. m.]

1462. The anxiety of the extremist elements in Japan over the continued negotiations between the Konoye Government and the United States was vociferously expressed by Seigo Nakano, leader of the Tohokai, at the mass meeting sponsored by his party on Saturday. (Embassy's 1453, September 13, 5 p. m.³¹) It is understood that the American press has given prominence to this meeting and has possibly overemphasized its significance. For example, an announcer of the San Francisco radio station KGEI referred to Nakano as a spokesman for the Japanese Government. The political strength of such extremist groups is at an ebb at the present moment; their potential danger nevertheless must not be overlooked. Furthermore such nationalist newspapers as the *Kokumin* and *Hochi*, as far as they dare,

³¹ Not printed.

continue to attack the Konoye Government by the implication that it is congealing with Japan's enemies Britain and the United States.

Of Japan's seven daily newspapers only the *Miyako*, *Chugai* and *Kokumin* briefly summarized Nakano's speech and his reference to the Japanese-American negotiations were entirely omitted. These remarks were the most significant, as a study of the complete text of the speech has revealed. Nakano stated that Britain and the United States believed that Japan's national policy could be overthrown by means of pressure. He said that no one doubted the Konoye Cabinet continued to follow the fixed national policy sanctioned by Imperial rescript. However, conclusion of peace negotiations is impossible unless the Konoye Cabinet yields to the American Government. If conclusion of an agreement is impossible, then the days wasted in negotiations mean that Japan is losing her precious opportunity to advance southward, exactly the result desired by Britain and the United States.

Kokumin, commenting on Nakano's meeting, states that the purpose of his speech was not to urge Roosevelt and Churchill to reflection but rather to rouse the Japanese nation. The editorial criticizes the government for an attitude of nervousness toward speculators and publications similar to those by Nakano.

Today's *Kokumin* editorial elaborates upon Nakano's theme, asserting that the Japanese people are worried about the indefinite course being taken by the present government and that the source of this worry is their feeling toward the Japanese-American negotiations and their dissatisfaction at being kept uninformed. Anxiety is founded on the doubt whether any settlement with the United States is possible without nullifying the significance of Japan's holy war and without revising the policy of a new order in East Asia. The Japanese people justifiably fear that Japan's two great policies may be comprised [*compromised?*] through negotiations with "hostile" Britain and the United States. The government is implored to observe the spirit of the imperial rescript³² granted at the time of the conclusion of the Tripartite Alliance and to maintain steadfastly Japan's immutable policies.

It may be noteworthy the [*that*] Nakano made very few references to Germany and the Axis, in contrast to former speeches, and that the audience while it overflowed Hibiya Hall did not compare in size to the reported 20,000 who attempted to and [*did gain?*] admittance to his mass meeting of May 1, held at an amphitheater usually employed for svedan wrestling.

GREW

³² See telegram No. 911, September 27, 1940, midnight, from the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 168.

711.94/2295 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, September 15, 1941—9 p. m.

[Received September 16—6:30 p. m.]

1184. Rochat³³ this afternoon inquired as to the progress of our "negotiations" with the Japanese. He went on to say that the Foreign Office has a strong impression that these "negotiations" are about to reach a successful conclusion and the French Government is therefore quite anxious with respect to the future status of Indochina. He said that Henry-Haye some days ago had been instructed to call the Department's attention³⁴ to the fact that France's present agreements with Japan permitting military occupation of various points are clearly stated to be provisional and temporary in character; the French very much hope therefore that in any agreement which we may conclude with Japan the complete evacuation of Indochina by Japanese forces when the "war emergency" is finished shall be clearly stipulated. Rochat added that the French feel that such evacuation is definitely in our interest but they are nevertheless anxious lest we may agree to permit the present temporary modifications of the pre-war *status quo* to take on a permanent character. Henry-Haye had discussed this situation with Hornbeck,³⁵ he said, but several days ago in view of the importance which the French Government attaches thereto he was again instructed to discuss the situation personally with the Secretary. Rochat is hopeful that the Ambassador may be given an interview as soon as possible in view of the prevailing impression here that our talks with the Japanese are very far advanced.

LEAHY

740.0011 European War 1939/15239

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] September 16, 1941.

The French Ambassador called at his request and proceeded to refer to the interest of the Vichy Government in the situation of French Indochina. He indicated that his Government desired this Government in any conversations or negotiations with Japan to keep in mind the interests of Indochina, and especially her desire to be completely independent of Japan when a settlement is reached in the Pacific. I here interrupted him and said that, with no purpose what-

³³ Charles Rochat, Secretary-General of the French Foreign Office.³⁴ See memorandum by the Assistant Secretary of State, September 12, vol. v, p. 287.³⁵ Memorandum of September 9, not printed.

soever to argue the matter, but merely to point out certain phases of it, regardless of where the truth lies, there is a real belief that during August 1940, Japan had requested Hitler to ask the Vichy Government not to be too demonstrative in its opposition to Japanese occupation of Indochina and Indochinese waters by means of its Army and Navy. There exists likewise the belief that the Vichy Government, notwithstanding the fact that such action went beyond the terms of the Armistice, complied with this request in an effort to placate Hitler. I added that this Government was opposed alike to Japanese conquest and to German conquest; that we are opposing both in different ways and that we profoundly believe that the Hitler invasion, as illustrated by the occupation of France, will mean utter ruin to the French and to Europe, and finally to America unless Hitler is stopped by force; and that we shall continue our opposition in various ways until he is stopped. I said the general attitude in America toward the occupation of Indochina by the Japanese manifested itself in various ways, since such occupation evidently was next to the final step in a possible military invasion of the South Sea area. In addition, I said that we were fundamentally opposed to the invasion of small or helpless countries by a powerful country like Japan; and that we had emphatically made this known to Japan in more ways than one, in fact, some of the ways we had registered our opposition had not been made known.

I said that his Government was urging us to keep in mind the freedom, welfare and autonomy of Indochina in connection with any conversations or negotiations that may take place between Japan and this country; that our attitude in this matter thus far has been made known, as I had outlined it to the Ambassador. I said further that this country wants nothing from Europe or Asia except peace and order under law and justice and fair dealing, et cetera, et cetera, and hence our interest in and opposition to Japanese encroachments on Indochina; that the Vichy Government comes to us with regard to this matter but says nothing about French Africa, especially the northern and western parts along the Atlantic Coast, with respect to which the United States has no selfish interest whatever. We did, however, have a definite interest in opposing the seizing and occupying by Hitler of French Africa with its harbors on the Atlantic Coast as a part of his movement to get control of the seas and seriously threaten this hemisphere; that there has been no request for us to render aid to the Vichy Government to prevent such German occupation, but on the contrary, there are implied threats by some high French officials, calculated and apparently so intended, to deny to the Government of the United States the privilege of discouraging Hitler from coming into North Africa; that we, of course, have

thanked the Vichy Government for such efforts as it has made to observe the terms of the Armistice as it relates to French ports and French Africa, but that we do not know from week to week when Hitler may press Darlan to make concessions in this regard which go entirely beyond the terms of the Armistice to the detriment of peaceful nations like the United States. The Ambassador said that pressure had been brought to bear indirectly by Hitler but that the French had not yielded to it.

I said finally that we have had no negotiations with the Japanese and may have none; that thus far only the most casual and exploratory conversations have taken place, and that, if perchance a stage of negotiations should be reached, I would then hear the representations of the French Government with respect to Indochina and offer appropriate comment to his Government in regard thereto.

C[ORDELL] H[ULL]

711.94/2323

Memorandum of Conversation, by the Adviser on Political Relations (Dunn) ³⁶

[WASHINGTON,] September 16, 1941.

Baron van Boetzelaer, Minister Counselor of the Netherlands Legation, came in to see Mr. Atherton³⁷ and myself today to say that the Minister of the Netherlands had asked him to come to the Department to inquire whether there was any information we could give the Legation with respect to the reported conversations between the American and Japanese Governments. The Minister Counselor said that the Netherlands Government were, of course, very much in favor of the maintenance of peace in the Pacific and hoped that some arrangements would be eventually arrived at which would avoid the extension of hostilities to the Far East. He went on to say, however, that the Netherlands Government were extremely interested in the economic aspects of the Far Eastern situation, that they were carrying out certain measures now which had a bearing on such important questions as petroleum and other products, and they were very anxious to be informed as soon as possible of any situation which might have an influence on the economic measures now in effect or planned in the Netherlands Indies.

Both Mr. Atherton and I informed Baron van Boetzelaer that for information with regard to the Far East we would suggest that he speak to Mr. Hamilton or Dr. Hornbeck. Baron van Boetzelaer said that he had spoken with Mr. Hamilton and Dr. Hornbeck from time

³⁶ Noted by the Secretary of State.

³⁷ Ray Atherton, Acting Chief of the Division of European Affairs.

to time but the Minister wished to have the desire of the Netherlands Government for information on the present situation in the Far East also laid before the offices concerned with European Affairs as well. We further added that we realized fully the interest of the Netherlands Government in developments in the Far East and that if we ever had any information which would be of interest to that Government we would take immediate steps to communicate with him.

JAMES CLEMENT DUNN

740.0011 Pacific War/540

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton) ³⁸

[WASHINGTON,] September 17, 1941.

Dr. E. Stanley Jones called at his request upon Mr. Acheson. Mr. Acheson asked Mr. Hamilton to be present.

Dr. Jones opened the conversation by referring to a memorandum which he had prepared in regard to conversations which he had had with Dr. Kagawa and Mr. Miao. This memorandum had been forwarded to Mr. Acheson by Congressman Vorys under cover of a letter of July 11, 1941.^{38a} A copy of Dr. Jones' memorandum had also been forwarded to the President. (See file no. 740.0011 P. W./517.)

Dr. Jones said that he had received a further telegram from Dr. Kagawa, who is now in Japan, to the effect that the situation was very critical and that Dr. Kagawa was continuing to work earnestly for peace. Dr. Jones said that Dr. Kagawa's message also contained expression of a hope that Dr. Jones might see the President and urge the President to do what he could on behalf of peace in the Pacific. Dr. Jones said that he had sent to the President a copy of the telegram from Dr. Kagawa, but that he did not expect to see the President in as much as he realized that the President was naturally tremendously busy.

Dr. Jones said that he wished to lay before us certain thoughts of his in regard to the matter. He said that there would seem to be certain obvious factors bearing upon the question of relations between the United States and Japan: (1) The United States would not wish to "sell China down the river"; (2) some way must be found which will permit Japan to save her face; and (3) Japan must turn away from the Axis to closer association with countries such as the United States, Great Britain, and the Netherlands.

Dr. Jones said that he felt that some bold move by the United States was needed and that in his opinion Japan would be responsive

³⁸ Noted by the Secretary of State.

^{38a} *Ante*, p. 306.

to any such move. He said that in his communications Dr. Kagawa had advanced the thought that Japan very much needed additional room to expand and suggested that New Guinea might be turned over to Japan. Dr. Jones said that Manchuria had not proven to be a suitable place for Japanese colonizing, due to the cold climate and the dense Chinese population; that New Guinea had a population of only 600,000; that the British and the Dutch did not need New Guinea; that the British and the Dutch were asking us to do things for them in reference to the Pacific situation and that we could therefore with right ask the British and the Dutch to make such a transfer to Japan; and that, if such an arrangement could be effected, he (Dr. Jones) thought that the Japanese pressure on China would be relaxed or removed and that Japan would move away from the Axis into a course of peace.

Dr. Jones said that he did not know whether Dr. Kagawa was of the opinion that the transfer of New Guinea to Japan would satisfy Japan, but that he could make inquiry of Dr. Kagawa on that point. Both Mr. Acheson and Mr. Hamilton emphasized a number of times that they thought that any such inquiry by Dr. Jones of Dr. Kagawa would be unwise and could not be expected to serve any useful purpose. Dr. Jones said that he would not make such inquiry of Dr. Kagawa.

Dr. Jones said that the foregoing suggestion with regard to New Guinea represented what he had especially in mind and that he would leave the matter with us unless we wished to offer any comments. Mr. Acheson said that he did not wish to make any comment. Mr. Hamilton said that there of course would arise in the minds of many people the question whether such a transfer of New Guinea to Japan might not simply represent a further step by Japan in a program to acquire control of islands in Eastern Asia which would enable Japan to fend off Occidental influence and to impose Japan's will upon the peoples of the mainland; also the question whether, if an American or the United States were to sponsor any such suggestion, the suggestion should not apply to American territory (such as the Philippines or the United States proper) rather than to the territory of other countries; et cetera. Mr. Hamilton said also that he was of course not undertaking to express any definitive opinion but simply to indicate a few of the many complicated questions which would naturally arise in connection with any such suggestion as that made by Dr. Jones. Mr. Acheson referred to Dr. Jones' statement that the British and the Dutch expected us to aid them and commented to the effect that many people might hold the view that in the present world situation we were expecting the British and the Dutch to do something on our behalf. Mr. Hamilton referred also to the comments which the Secretary had made at his press confer-

ences in regard to inquiries relating to current exploratory conversations with the Japanese Ambassador and to the basic principles to which this Government and this country were committed.

M[AXWELL] M. H[AMILTON]

711.94/2297 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 18, 1941—1 p. m.

[Received September 18—12:15 p. m.]

1480. For the Secretary and Under Secretary only. [Here follows report based on memorandum by the Ambassador in Japan, dated September 17, 1941, printed in *Foreign Relations*, Japan, 1931-1941, volume II, page 624.]

Mr. Shigemitsu³⁹ then went on to say in the utmost confidence that the Emperor himself had taken the initiative in starting this movement for a *rapprochement* towards the United States and Great Britain and that the Ambassador had been recalled from London in this particular connection. He had had a 2-hour audience with the Emperor and he could tell me that the Emperor's firm desire for friendship with the United States and Great Britain had never receded during the period of the Matsuoka regime and the conclusion of the Tripartite Pact. In this connection, I recall an occasion in 1937 when the then Minister for Foreign Affairs told me in the strictest confidence that the Emperor had informed the Army and Navy that he would not, under any circumstances, sanction war by Japan against the United States or Britain.

It may be of interest that in my recent conversation with the Prime Minister he told me in strictest confidence that in case a meeting with the President should be arranged he would probably take Shigemitsu with him as representative of the Foreign Office.

GREW

793.94119/763 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 18, 1941—7 p. m.

[Received September 18—10:17 a. m.]

1482. For the Secretary and the Under Secretary only. I have just received word that the Prime Minister will communicate to me in the next day or two the peace terms which Japan is prepared to present to China.

GREW

³⁹ Mamoru Shigemitsu, Japanese Ambassador to the United Kingdom, on leave.

711.94/2286 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 18, 1941—6 p. m.

596. For the Ambassador and the Counselor only. The Japanese Ambassador has made no approach to us as yet along the lines outlined in your 1455, September 13, 10 p. m.,⁴⁰ and it is assumed that this is because of the consideration which is being given by the Japanese Government to the matter mentioned in your 1482, September 18, 7 p. m.

HULL

793.94119/767½

Memorandum by Mr. Joseph W. Ballantine, of the Division of Far Eastern Affairs

[WASHINGTON,] September 18, 1941.

In view of Mr. Grew's telegram stating that he has been told that the Japanese Government intends within a day or two to inform him of Japan's peace terms to China, should we now make an approach to the Japanese Ambassador in regard to the Japanese proposals? ⁴¹

Arguments pro:

The Japanese might be more likely to endeavor to meet our ideas in regard to a broad-gauge program and might feel less inclined to be discouraged over the possibility of coming to terms with us, for, if we should await receiving their terms to China and if these terms should prove to be reasonably moderate, they might interpret a subsequent approach as being merely an attempt to play them along.

The very taking of an initiative by us in this way might impress the Japanese favorably as an indication that we are trying to meet their desire to move rapidly.

Argument contra:

In as much as normal procedure would call for our awaiting Japan's move before taking action, the Japanese might interpret an approach by us at this time as constituting a prejudging by us of their peace terms to China unfavorably and as therefore revealing a purpose to protract matters under any circumstances. The resulting discouragement might have an unfavorable effect upon a continuance of the conversations.

⁴⁰ Not printed, but see Japanese document of September 13, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 623.

⁴¹ See memorandum of September 19, 1941, *ibid.*, p. 629.

793.94/16884

Dr. E. Stanley Jones to the Chief of the Division of Far Eastern Affairs (Hamilton)

NEW YORK, September 18, 1941.

DEAR MR. HAMILTON: I would like to pass on one item which emerged in my talk with the Japanese Ambassador yesterday.

We went over the possible bases of peace:

1. The recognition of Manchukuo by China.
2. Suppression of Communism by China.
3. Suppression of anti-Japanese propaganda by China.
4. The recognition of the territorial and political integrity of China by Japan.
5. The joint defence of North China by China and Japan against Communism.

I pointed out that this last item cancelled out the fourth item and would spoil the whole agreement, for if it were carried through it would leave a disgruntled China, which would be a non-cooperative China.

Then I suggested this compromise: Suppose Japan should clear out all troops from all China, including North China and Mongolia according to point four. Then suppose that China should enter into agreement with Japan, that, in case she is attacked by a third party, Japan would come to her help. That would cover Japan's contention that she needs China's cooperation against a northern invasion and it would cover China's contention that she is not territorially and politically free as long as Japanese troops are upon her soil.

The Japanese Ambassador said in reply that this would open a new possibility and that he personally would agree to such an arrangement. "But," he added, "I am not sure whether Tokio would agree".

I pass this on for what it is worth. It seems to me there is a possibility at this point.

Yours sincerely,

E. STANLEY JONES

711.94/2353

The Ambassador in China (Gauss) to the Secretary of State

No. 144

CHUNGKING, September 18, 1941.

[Received October 13.]

SIR: With reference to my telegram no. 390 of September 15, 3 p. m., I have the honor to enclose a copy of a full memorandum⁴² of my conversation on that date with the Minister for Foreign Affairs, to

⁴² Not printed.

whom I communicated orally the contents of the Department's telegram no. 213, of September 12, 6 p. m., on the subject of the American-Japanese conversations on the situation in the Pacific.

The information which has reached the Chinese Government from the Chinese Ambassador at Washington and from other sources has apparently led to the impression that the American-Japanese conversations were being directed principally, if not solely, toward seeking a *détente* under which Japan would abandon her southward ambitions, Thailand and Indochina would be neutralized, and economic pressure on Japan would be relaxed, Japan thus being able to recoup her strength, which the Chinese expected would then be hurled in full force against China for the settlement of the "China Incident".

I do not propose to speculate how the Chinese Government formed this impression, but I point to Dr. Quo Tai-chi's statement of the report received from Dr. Hu Shih, the Ambassador at Washington, as set out on page 3 of the enclosed memorandum of conversation. I should also mention that Dr. Quo has several times referred to information from other "sources"; for example, he remarked that Konoye in his letter to the President is reported to have suggested that Japan should retain a small force in Indochina and not be required to withdraw fully from that area. Dr. Quo has avoided disclosing the sources of such information.

The anxiety manifest in Government circles regarding the Washington conversations soon spread to the press, which seems to have halted only short of suggesting that the United States was planning a "Munich" in the Far East. Anxiety and concern have also been evident in political, banking and business circles and amongst the military.

The Minister for Foreign Affairs repeatedly asked me for news on the Washington conversations. I was unable to tell him more than what in fact had appeared in press telegrams from Washington; that is, that the Secretary of State had told the press that only informal, exploratory conversations were taking place with a view to ascertaining whether any basis might be found for discussions or negotiations on the Far Eastern situation but that no such basis had yet been found.

The Foreign Minister had asked me whether I had any information on the conversations of Dr. Hu Shih with the Secretary of State and the President. I was obliged to reply in the negative.

I was not surprised when Dr. Quo finally sent for me on the afternoon of September 10 and made the observations reported in my telegram no. 383 of September 10, 6 p. m.

It is my hope that the clear and categorical statements made in the Department's telegram no. 213 of September 12, 6 p. m., may serve to reassure the leaders of the Chinese Government and that this reassur-

ance will be reflected in the attitude of the press and in political, business and financial circles.

My telegram no. 384 of September 11, 7 p. m.,⁴³ supplementing my no. 383 of September 10, 6 p. m., was intended to outline my opinion on the Chinese situation, reached after more than three months of quiet observation since my arrival at Chungking. There can be no question as to the determination of the Generalissimo to continue resistance to Japan; but there is a strong undercurrent, even in Government circles, tending toward the view that continued resistance to Japan might not be in the best interests of China, that China might not now fare so badly in negotiations with a Japan anxious to be rid of the "China Incident" in order to engage in adventures elsewhere, and that ultimately, in any circumstances, China and Japan must arrive at some common understanding in the Far East.

If the Chinese were to come to believe that the democracies had set their own interests above all others by reaching a regional *détente* with Japan in relation to Indochina, Thailand, and the south, without regard to the possible effect on China, the resentment in this country would be so deep that no amount of aid to China, lend-lease or otherwise, would overcome it. I am convinced that that resentment would lead to a strengthening of the influence of those inclining to the view that the best interests of China dictate that a peace be now sought with Japan.⁴⁴

Respectfully yours,

C. E. GAUSS

793.94/16861 : Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, September 19, 1941—2 p. m.

[Received September 23—9 a. m.]

271. (Begin summary).⁴⁵ The possibility exists that through failure to evaluate Japanese duplicity the opportunity to obtain a quick and permanent conclusion of Japanese aggression may be lost. Japanese propaganda has [apparent omission] timid reluctance in the Far East

⁴³ Vol. v, p. 537.

⁴⁴ In his memorandum of conversation with Dr. Quo, Ambassador Gauss reported his own comment "that from my observations I was inclined to the view that some of the evident anxiety and disappointment at Chungking regarding the American-Japanese conversations arose out of the bare fact that conversations were being held, that there seemed to me to be evident in some quarters the intense desire that there should be no conversations with Japan but that America should forthwith involve herself in hostilities with Japan, the sooner to settle the China Incident and all problems in the Pacific. Apparently our failure to become involved in war with Japan has been the cause of disappointment. Dr. Quo replied merely that he did not believe that there is any such feeling."

⁴⁵ For explanation, see telegram No. 272, *infra*.

with skill. However, there undoubtedly exists in Japan considerable race pride which might take a desperate course regardless of consequences. This supplies the element of reality without which all Japanese blustering would have but little force.

The Japanese have failed to conquer China by force and they know it. They have failed to conquer through puppets and they know it. They hoped to succeed through the Axis alliance but that is now very dubious. They are very worried and see but one hope, a compromise in the Far East which will enable them to wait, with their military and naval forces still strong, an opportune time to strike southward or into Siberia.

The Japanese have asserted that they would never negotiate with Chiang or any third country. They have now abandoned both stands and conversations are going on in Washington on the basis of the Nine Power Treaty and other principles to which the United States is committed. Seemingly complying with American desires, the Japanese will doubtless haggle over what they will describe as minor details or sacrifices which they should not be asked to make. They will urge concessions with great plausibility and persistence. The Japanese hope to be left with wedges which they will drive home after peace has been declared.

To put it briefly, the danger in the present Washington conversations and in further diplomatic measures is not that they may lead to war, but rather that they will lead to a highly deceptive illusion of peace. (End summary)

Sent to the Department, repeated to Chungking and Shanghai.

BUTRICK

793.94/16862: Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, September 19, 1941—3 p. m.
[Received September 22—5:19 a. m.]

272. My number 271, September 19, 2 p. m., summarizes a memorandum handed me by Leighton Stuart. Please consider source confidential.

I asked his basis of memorandum. He replied it represented his own thoughts based on his observations of Japanese action and character during his many years in North China.

Stuart also informed me that from sources in which he has faith he had obtained the following: at an imperial conference about a week ago the trend of discussion favored opposing arrogant American interference and maintaining traditional national honor at any cost.

Hiranuma loudly declared bravery of imperial troops proved during four years of war in China and no doubt imperial navy could give equally good account of itself in case of Pacific war but China war had given no satisfactory result and he asked what could be gained from further conflicts. One general asked him what would be his own solution. He replied, "End China war as soon as possible." The Emperor nodded approval while Hiranuma was speaking. After Hiranuma's report there was confused silence and Emperor indicated conference ended.

Sent to the Department. Repeated to Chungking, Shanghai.

BUTRICK

711.94/2300 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, September 19, 1941—7 p. m.

[Received September 19—2:25 p. m.]

1487. For the Secretary and Under Secretary only. There is accumulating evidence that the Japanese Government is becoming increasingly restive, if not alarmed, over the approach of September 27, the first anniversary of the signing of the Tripartite Alliance, without there being given by the American Government any indication of its views with regard to the question whether or not formal negotiations with Japan will be feasible. As already reported, preparations are being made by pro-Fascist organizations—allegedly at German instigation and with German financial aid—for the holding of nationwide meetings to celebrate the anniversary. I understand that efforts will be made, by emphasizing the rescript issued by the Emperor last year when the alliance was concluded, to picture the present Cabinet, in engaging in conversations with the United States, as acting contrary to the Emperor's will. In the absence of any indication of views from the American Government the Cabinet will very shortly be obliged to decide whether it will sanction the proposed celebrations, which of itself will necessarily carry certain implications with regard to the trend of the present conversations, or virtually ignore the anniversary and thus read Japan out of the Axis. You will realize that this would be an extremely difficult choice for the Cabinet to make. There appear to be several influential elements who are prepared to support the Cabinet in negotiations with the United States if there is given indication by the United States of some degree of reasonable expectation that the negotiations if started may be successful, but who would strongly oppose cutting loose from Germany in the absence of such indication.

Colonel Iwakuro and Mr. Wikawa [, who joined?] Ambassador Nomura in the Washington conversations of last Spring and who

are now in Japan, have heard through Father Drought and Bishop Walsh that no decision with regard to the conversations will be given by the American Government before September 28. The Japanese contacts above named state that any such delay would gravely endanger the position of the Cabinet.

I hope that it will be possible for our Government to expedite its study of the available material with regard to the future policies and attitude of Japan so that a decision can be reached and communicated to the Japanese Government the early part of next week. I was told today that the way is not yet entirely clear for the Prime Minister to communicate to me the Japanese peace terms but that it was hoped arrangements would be completed tomorrow morning so that the terms could be conveyed to me, on the initiative of the Prime Minister, later in the day. These terms, if made available to us, might well prove an important factor in the making of our Government's decision.

GREW

711.94/2302 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 20, 1941—4 p. m.
[Received September 20—10:02 a. m.]

1490. For the Secretary and the Under Secretary only. A completely trustworthy informant stated to me this morning in the strictest confidence that an unsuccessful attempt was made on September 18 to kill the Prime Minister. Prince Konoye was leaving his private residence that morning for his office in his car when four men armed with daggers [and?] short swords sprang at the car. The assailants were overcome and arrested by plainclothes men on duty at the residence. Prince Konoye was not hurt.

Extraordinary precautions are being taken to keep this incident secret. I hope that you will not mention the incident to Admiral Nomura, as it would not be helpful to me if the Japanese Government were made aware that information of the foregoing character comes to my knowledge.

GREW

711.94/2303 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 20, 1941—5 p. m.
[Received September 20—12:40 p. m.]

1491. For the Secretary and Under Secretary only. The Counselor called this morning on the Director of the American Bu-

reau to communicate the substance of the first part of the Department's 596, September 18, 4 [6] p. m. The Director, by way of comment, said that the only way in which he could explain the extraordinary delay by Admiral Nomura in carrying out the instructions of the Foreign Minister is that Admiral Nomura had assumed that the communication by the Foreign Minister to me on September 13 of the replies of the Japanese Government to our various questions rendered unnecessary any approach by himself (Admiral Nomura).

In this general connection, I did not fail to inform Admiral Toyoda in a recent conversation of the substance of the final paragraph of your 573, September 9, 11 a. m.

Later this morning, Mr. Terasaki asked the Counselor to call again at the Foreign Office. Mr. Terasaki said that there had just been received a strictly confidential telegram from Admiral Nomura substantially as follows:

Mr. Hornbeck, who is on leave for a period of two weeks from September 20, told an Associated Press correspondent confidentially that no progress in the informal conversations between the United States and Japan was to be expected during his absence.

Mr. Terasaki said that the Minister was attending a Cabinet meeting and had not yet seen the telegram from Admiral Nomura, but that in view of the information which we had given the Foreign Office early this morning with regard to the inactivity of Admiral Nomura, he had decided on his own responsibility to communicate the substance of the telegram to us. He requested that no mention of this telegram be made to Admiral Nomura.

Mr. Terasaki added that station KGEI at San Francisco had broadcast on September 14, the statement released by the Department containing your comment on the character of the current preliminary conversations (Please see Radio Bulletin No. 219, September 13) and had continued substantially as follows:

Meanwhile, further doubt was cast upon the success of the conversations by the announcement that Mr. Hornbeck, who has been taking an important part in the conversations, has obtained two weeks leave of absence.

It appears to be obvious that Mr. Hornbeck has been misquoted and it is to be regretted that what I feel sure is a misleading impression has been conveyed through this publicity to the Japanese Government.

711.94/2306 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, September 20, 1941—8 p. m.

[Received September 21—11:40 a. m.]

1213. Department's 703, September 18, 5 p. m.⁴⁶ Portions of Ambassador Henry-Haye's telegraphic report on his conversation with the Secretary were read to us this morning in confidence by a friend in the Foreign Office. While the French Ambassador accurately informed his Government of the Secretary's statements that present conversations with the Japanese have so far been only exploratory, it is not our impression that Henry-Haye reported at any rate with adequate emphasis the Secretary's specific references to the situation in French Africa; or that he made reference to our anxiety over the probability of future German pressure to obtain concessions beyond the terms of the armistice prejudicial to the interests of the United States. He did, however, convey the Department's feeling that French acceptance of the Japanese demands for military facilities in Indochina was the result of German pressure. (This Foreign Office officials emphatically deny is the case.)

The fact that some definite assurances that we shall insist on the maintenance of French sovereignty and rights in Indochina in our "talks" with the Japanese were not forthcoming has proved "disappointing" to the Foreign Office, said our friend.

This uncertainty may, under present circumstances, be the best impression we can leave.

Henry-Haye likewise reported his own emphasis on French contentions that we had failed to furnish adequate means for the defense of Indochina when so requested last year, the validity of which assertions he said "the Secretary accepted". He added that the Secretary had "intimated that the United States had exercised a far greater restraining influence on Tokyo than the French Government realizes". The reaction of our friend here to this last is that the French would like "to have seen a little more tangible evidence of the success" we may have had in such representations.

LEAHY

⁴⁶ Not printed; it reported the conversation between the Secretary of State and the French Ambassador on September 16; see memorandum by the Secretary of State, September 16, p. 452.

711.94/2305 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, September 21, 1941—3 p. m.

[Received 3 p. m.]

1493. For the Secretary and the Under Secretary only. I wish to make clear to you the circumstances in which the Prime Minister indicated to me that he would communicate to me the Japanese peace terms and the developments, so far as I am aware, arising from that initiative, as follows: ⁴⁷

On September 17, Mr. Ushiba, the Prime Minister's private secretary, called on the Counselor and, presumably speaking with the approval of his chief, said that the American Government could not be blamed for withholding any decision with regard to the proposed meeting of heads of governments until it had knowledge of the Japanese terms, which, after all, were the crux of the entire problem. He said that he would ask the Prime Minister whether he would not communicate them to me. The next day Mr. Ushiba informed me that the Prime Minister would send me the terms in one or two days. Yesterday he said that there was being prepared a statement of "much wider scope" which would be delivered to me through official channels.

A contact in whom I have complete confidence informed me this morning that the Cabinet, at its meeting yesterday morning, formulated the basic terms of a statement for communication to our Government, that these terms were presented yesterday afternoon to the Emperor by the Foreign Minister and that the definitive statement is now being drafted and will be handed to me as soon as completed. The contact further said that this statement would contain the maximum information which would be given by Japan with regard to its policies and objectives in advance of the proposed meeting of the heads of Governments, that more could not be disclosed for fear of leakage of information but that the Prime Minister would be prepared to present directly and personally to the President further clarification and definition of Japan's policies and objectives.

I understand that the hitch in the Prime Minister's plan to send me the peace terms was caused by feeling in the Foreign Office that, as the Japanese Government has already demonstrated its willingness to put its cards on the table, the terms should not be disclosed without specific request by United States. I am therefore regarding with reserve the assurance (which was categorical) that a statement of the character above indicated is being drafted and would be handed to me either today or tomorrow.

GREW

⁴⁷ See also memorandum by the Counselor of Embassy in Japan, September 18, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 626.

711.94/2303 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 22, 1941—6 p. m.

604. For the Ambassador and the Counselor only. Your 1491, September 20, 5 p. m., information said to have been given by Mr. Hornbeck to an Associated Press correspondent.

Neither Hornbeck nor so far as we know anyone else made any such statement to anyone. Hornbeck left Washington on September 13 with intention of being away not more than 10 days and returned to Washington yesterday.⁴⁸

HULL

711.94/2457

*The Ambassador in Japan (Grew) to President Roosevelt*⁴⁹

Tokyo, September 22, 1941.

DEAR FRANK: I have not bothered you with personal letters for some time for the good reason that letters are now subject to long delays owing to the infrequent sailings of ships carrying our diplomatic pouches, and because developments in American-Japanese relations are moving so comparatively rapidly that my comments would generally be too much out of date to be helpful when they reached you. But I have tried and am constantly trying in my telegrams to the Secretary of State to paint an accurate picture of the moving scene from day to day. I hope that you see them regularly.

As you know from my telegrams, I am in close touch with Prince Konoye who in the face of bitter antagonism from extremist and pro-Axis elements in the country is courageously working for an improvement in Japan's relations with the United States. He bears the heavy responsibility for having allowed our relations to come to such a pass and he no doubt now sees the handwriting on the wall and realizes that Japan has nothing to hope for from the Tripartite Pact and must shift her orientation of policy if she is to avoid disaster; but whatever the incentive that has led to his present efforts, I am convinced that he now means business and will go as far as is possible, without incurring open rebellion in Japan, to reach a reasonable understanding with us. In spite of all the evidence of Japan's bad faith in times past in failing to live up to her commit-

⁴⁸ Ambassador Grew's telegram No. 1505, September 24, 5 p. m. (711.94/2312), reported that the Department's message was orally communicated that morning in substance to the Director of the American Bureau.

⁴⁹ On October 29 President Roosevelt asked the Secretary of State to let him have "a suggested reply" to Ambassador Grew; for the reply, dated October 30, see p. 560.

ments, I believe that there is a better chance of the present Government implementing whatever commitments it may now undertake than has been the case in recent years. It seems to me highly unlikely that this chance will come again or that any Japanese statesman other than Prince Konoye could succeed in controlling the military extremists in carrying through a policy which they, in their ignorance of international affairs and economic laws, resent and oppose. The alternative to reaching a settlement now would be the greatly increased probability of war,—*Facilis descensus Averno est*—and while we would undoubtedly win in the end, I question whether it is in our own interest to see an impoverished Japan reduced to the position of a third-rate Power. I therefore must earnestly hope that we can come to terms, even if we must take on trust, at least to some degree, the continued good faith and ability of the present Government fully to implement those terms.

I venture to enclose a copy of a letter⁵⁰ which I recently wrote to a Japanese friend who had expressed the hope that the United States would ultimately come to sympathize and to cooperate with Japan in pursuing her "legitimate interests and aspiration". The letter was sent by my friend, on his own initiative, to Prince Konoye.

My admiration of the masterly way in which you have led and are leading our country in the present turmoil in world affairs steadily increases.

Faithfully yours,

JOSEPH C. GREW

711.94/2327

*Memorandum of Conversation, by the Under Secretary
of State (Welles)*

[WASHINGTON,] September 23, 1941.

The British Chargé d'Affaires, Sir Ronald Campbell, called to see me this morning at his request.

Sir Ronald first stated that he had received a telegram from Mr. Eden requesting that Secretary Hull be informed that the Secretary's wishes with regard to information concerning the conversations proceeding between the United States and Japan had been scrupulously observed by the British Government. Mr. Eden stated that no reports concerning these conversations are being circulated to British missions and that the very small number of members of the British Government advised concerning the conversations had been impressed as to the complete secrecy of these reports.

S[UMNER] W[ELLES]

⁵⁰ Not printed.

711.94/2844½

Memorandum by Mr. Joseph W. Ballantine

[WASHINGTON,] September 23, 1941.

On August 28 the Japanese Ambassador communicated to the President a proposal⁵¹ for a meeting between the responsible heads of the Government of Japan and of the Government of the United States to discuss important problems between Japan and the United States covering the entire Pacific area. On September 3 the President delivered a reply⁵² to the Japanese Ambassador, stating that this Government is prepared to proceed as rapidly as possible toward the consummation of arrangements for such a meeting and suggesting that the two Governments take precaution toward insuring that the proposed meeting shall prove a success by endeavoring to enter immediately upon preliminary discussion of the fundamental and essential questions upon which we seek agreement.

In response to this suggestion the Japanese Government, on September 6, through Ambassador Nomura presented certain proposals.⁵³ These proposals in our judgment served to narrow and restrict not only the application of the principles upon which our previous informal conversations have been based but also the various assurances given by the Japanese Government of its desire to move along with the United States in putting into operation a broad program looking to the establishment and maintenance of peace and stability in the entire Pacific area.

On September 10 we raised with the Japanese Ambassador here,⁵⁴ as Mr. Grew had already raised with the Foreign Minister in Tokyo,⁵⁵ certain questions designed to obtain further clarification of the Japanese Government's proposals. The answers made by the Japanese Government to Mr. Grew on September 13⁵⁶ in regard to the questions which we raised have made even clearer that Japan's intention is to narrow and restrict the application of the principles to which they profess adherence.

The statement of the Japanese Government⁵⁷ which accompanied the Japanese Prime Minister's message to the President on August 28 contained various broad assurances that Japan has no intention of using without provocation military force against any neighboring

⁵¹ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 572.

⁵² *Ibid.*, p. 591.

⁵³ *Ibid.*, p. 608.

⁵⁴ See memorandum of a conversation, September 10, 1941, *ibid.*, p. 614.

⁵⁵ See memorandum by the Ambassador in Japan, September 10, 1941, *ibid.*, p. 610.

⁵⁶ *Ibid.*, pp. 620 and 623.

⁵⁷ *Ibid.*, p. 573.

nation and that Japan desires to pursue courses in harmony with the fundamental principles which this Government regards as the foundation upon which relations between nations should properly rest. Nevertheless, the concrete proposals which the Japanese offered on September 6 appear to reveal that, while the Japanese Government is willing to subscribe to liberal principles in the abstract, when it comes to concrete cases the intentions of the Japanese Government do not square with respect for the principles to which the Japanese Government is willing to give adherence in the abstract. For example, in the peace terms which the Japanese Government has just confidentially communicated to us,⁵⁸ in one place the Japanese Government pledges itself to respect China's sovereignty and territorial integrity, but in another item under the heading "Cooperative Defense between China and Japan" Japan's peace terms call for the "stationing of Japanese troops and naval forces in certain areas in Chinese territory for a necessary period" for the "purpose of preventing communistic and other subversive activities which may constitute a menace to the security of both countries and of maintaining the public order in China."

In our informal conversations we tentatively arrived at an agreed-upon formula in regard to economic policy providing that Japanese activity and American activity in the Pacific area shall be carried on by peaceful means and in conformity with the principle of non-discrimination in international commercial relations. In the Japanese Government's proposals of September 6 the commitments contained in that formula were restricted to the countries of the southwest Pacific area (not the Pacific area as a whole). In reference to China, the Japanese Government stated that it would respect the principle of nondiscrimination, but the explanation it gave in regard to this point would seem to be open to the implication that the Japanese Government has in mind some limitation upon the application of this principle occasioned by reasons of Japan's geographical proximity to China. Furthermore, in the Japanese peace terms for China it is stated that "the Japanese Government does not mean to restrict any economic activities by third powers in China so long as they are pursued on an equitable basis." This would imply that the Japanese Government would expect to be in a position of overlordship over China and would be the judge as to whether the economic activities of third powers in China were being pursued on an "equitable" basis.

Under item three of Japan's proposed peace terms to China, Japan would have the right to station troops in China indefinitely under the guise of "cooperative defense," and Japan could and probably would exercise such a right to retain control of mines and other ex-

⁵⁸ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 633.

tensive properties and economic privileges which Japan has acquired in North China and Inner Mongolia during the past 4 years. The Japanese peace terms call for the recognition of "Manchukuo". In our informal conversations we suggested the formula of amicable negotiations in regard to "Manchukuo" and it is believed that this is as far as we could go.

The Japanese proposals give no indication of an intention to give up the privileged economic set-up which Japan has arrogated to itself in China, and consequently there is given no assurance that American enterprises in China will be able to function without being subjected to discriminatory treatment and interference by Japan.

There is given no specific assurance that Japan will withdraw its armed forces from Indochina or will refrain from endeavoring to exercise a special economic position for itself in that country.

There is given no specific assurance that in the event of the entry of the United States into the European war in pursuance of our policy of self-defense Japan will not interpret its obligations under the Tripartite Pact as requiring Japan to attack the United States.

The Japanese Government has stated that, in view of its desire to bring about the proposed early meeting between the heads of governments and to make that meeting successful, it was prepared to place its cards face up on the table and provisionally enter into certain commitments as well as provisionally specify reciprocal commitments which it would expect on the part of the United States as a basis for the proposed discussions between the President and the Prime Minister. While this might give grounds for hope that it might be possible at a meeting of the heads of governments to persuade the Japanese Government to adopt a more moderate attitude, it is believed, in view of the fact that during the last several months we have been unable to budge the Japanese Government on certain fundamental points which we regard as essential, that there is no likelihood in the light of the present-day world situation that Japan would at such a meeting, if held, make further material concessions. Furthermore, in view of the commitment which the Japanese Government desires that this Government give, that the United States will take no measures prejudicial to Japan's efforts to reach a settlement with China, it is believed that sooner or later it would be necessary for us to make clear to the Japanese Government that this Government could not enter into such a commitment. The likelihood is that if and when we did this the Japanese Government would be even more reluctant than otherwise to move toward meeting our views.

The Japanese Government's proposals do not in our opinion offer a basis for a settlement in the Pacific area which is likely to establish peaceful conditions and stability.

There would appear to be four courses which this Government might conceivably follow, namely:

(a) This Government might inform the Japanese Government categorically that we are unable to regard their proposal as a satisfactory basis for a meeting.

(b) This Government might make reply along the lines of a draft statement which we recently drew up and which, while making our position unmistakably clear, is friendly in tone and is designed to leave the door open for a continuation or resumption of the conversations, and would place the responsibility of any termination of the conversations upon Japan. In this way we might be better able to take advantage of a favorable turn in the world situation or in Japan's domestic situation to continue to explore the possibility of an agreement.

(c) 1. This Government might proceed with arrangements for a meeting between the President and the Japanese Prime Minister on the basis of agreement on fundamental principles as expressed in the documents delivered to the President on August 28 and as expressed to Ambassador Grew by the Japanese Prime Minister on September 6⁵⁹ (Tokyo's telegram no. 1413, September 6, 10 p. m.)⁶⁰ Ambassador Grew seems to favor a meeting between the heads of state and has expressed the view (Paragraph 5 of Tokyo's 1405, September 5, 10 p. m.)⁶¹ that no commitments on the part of Japan afford complete assurance that such commitments will be implemented to our complete satisfaction, and that the first step is obviously to halt Japan's aggressive course. He suggests that the latest Japanese proposed commitments would if carried out at least serve this purpose, and that, as a detailed program of reconstruction might not be practical of formulation in advance it would seem desirable that relaxation of our measures of pressure upon Japan might be effected *pari passu* with action by Japan in the direction of implementing her commitments. Ambassador Grew suggests further in his telegram 1384, September 4, 9 p. m.,⁶² that it might be agreed at such a meeting to express concurrence with the principles which the Secretary of State has enunciated as governing international relations, to announce a program in process of formulation to put into effect those principles and to adjust on a broad-gauge basis general Pacific problems and to make reference to efforts of both governments to establish a world of freedom.

⁵⁹ See memorandum by the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 604.

⁶⁰ Not printed.

⁶¹ Telegram not printed, but see Ambassador Grew's comment of September 5, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 601.

⁶² Not printed, but see Ambassador Grew's comment of September 4, *ibid.*, p. 594.

2. This Government might, without endeavoring to work out matters any further than we have now gone, proceed with arrangements for a meeting between the President and the Japanese Prime Minister. Such a meeting should, it is believed, be preceded by a public announcement, that the purpose in view is to effect a frank exchange of views between the heads of state and that the negotiation of an agreement is not contemplated. It would appear desirable, following the meeting, to make another public announcement to the effect that a frank exchange of views has taken place which has been mutually helpful, but that no agreement has been concluded.

In considering the advisability of a meeting under either of the above conditions thought would have to be given to the effect of the holding of such a meeting upon the public in this country, and the effect in China, Great Britain, the Netherlands and other countries as well as in Japan. We would have to consider both the immediate effects and effects that would be some time in developing. The immediate effect in China, and possibly in Great Britain and the Netherlands, of the announcement of the proposed meeting would be to create a feeling of depression and a lowering of morale, especially in China. China has been engaged for four long years in a desperate conflict. China is tired. Morale, however, continues high. If anything should happen seriously to impair that morale or to cause a relaxation in China's war effort, it might be impossible for China to revive the psychology necessary to continue resistance. In Japan, the immediate effect would probably be one of elation as presaging that the differences between Japan and this country and between Japan and China are to be settled peacefully. However, a serious reaction in Japan would be likely to set in if that proposed meeting did not result in our discontinuing our aid to China and in our relaxing our economic and political measures against Japan. It is, therefore, a question whether the immediate favorable reaction in Japan would not be more than offset by the consequences of possible disappointment in Japan over a failure of the meeting to produce the results which the Japanese have anticipated. At the same time and on the other hand, the psychological effect in various parts of the world of indications that tension between Japan and the United States is in process of diminution and of a definite prospect of Japanese withdrawal from the Axis might be of an immediate advantage and, if those indications were followed by concrete materializations, would doubtless be of long-swing value. Many observers would, however, be skeptical.

Psychological disadvantages of a meeting between the heads of state might be largely obviated if Chiang Kai-shek were present at the

meeting. However, unless and until this Government has reached with the Japanese Government a meeting of minds in advance of any meeting between the heads of state, it is doubtful whether Chiang Kai-shek if asked to attend such a meeting would be able to accept; and it is believed that under existing circumstances it would *not* be advisable to issue such an invitation.

(d) This Government might present a counterproposal to the Japanese Government. One disadvantage of such a course would be that we could never be sure that the Japanese, in subscribing to a draft which we had prepared, have, in fact, reached a meeting of minds with us. Furthermore, there is also a danger that the contents of the counterproposal would, if it were comprehensive and precise, reveal so clearly the wide discrepancy in our viewpoints that it might be made capital of by the reactionary elements in Japan to torpedo any proposed agreement.

Each of the above courses is susceptible of being pursued either to the exclusion of or in combination with one or more of the other suggested courses of action or parts thereof.

It is the consensus of opinion among the officers preparing this memorandum that this Government should make clear to the Japanese Government that the proposals made on September 6 by Ambassador Nomura do not offer a satisfactory basis for a preliminary agreement. There is a further consensus of view that the position of this Government in regard to the proposals of September 6 should be indicated to the Japanese Government along the lines of the course set forth in paragraph (b) above, namely, that, while making this Government's position clear, notification of that position should be friendly in tone, should leave the door open for further discussion, and should endeavor to place the responsibility for any termination of the discussions upon Japan. It is believed that the proposals presented by the Japanese Government on September 6 do not represent the final word of that Government, that the position now taken by Japan has been influenced by recent news of Soviet Russia's reverses in its struggle with Germany, and that if Soviet resistance continues the Japanese may be likely to move nearer in the direction of meeting our position. Conversely, disaster in Soviet Russia would strengthen Japanese extremists.

It is further believed that the holding of the meeting between the President and the Japanese Prime Minister on the basis of present status of the discussions between this country and Japan would result in more of disadvantage than of advantage as regards this country's interests and policies.

711.94/2312a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 23, 1941—6 p. m.

607. For the Ambassador and the Counselor only. The Japanese Ambassador called at his request on September 23⁶³ and read an oral statement substantially the same as that contained in your 1497, September 22, 8 p. m.⁶⁴ He then handed me two documents, the first containing the basic peace terms, which are the same as the first five terms listed in your 1498, September 22, 9 p. m.⁶⁵ Terms 6, 7, 8, and 9 are not contained in the document which the Japanese Ambassador gave me. The second document, containing replies to the questions raised on September 10,⁶⁶ was substantially the same as that communicated to you on September 13 by the Foreign Minister.⁶⁷

I informed the Ambassador that I would give careful and expeditious study to the papers which he had given me and would communicate with him as soon as possible.

HULL

711.94/2311 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 23, 1941—8 p. m.
[Received September 23—6:45 p. m.]

1503. For the Secretary and the Under Secretary only. The Director of the American Bureau called the Counselor to the Foreign Office this afternoon and made orally a statement which he emphasized was made by him at the direction of the Minister for Foreign Affairs for communication to me and through me to the American Government. He added that the statement is intended to supplement the statements made to me by the Minister for Foreign Affairs at our interview yesterday.

The following text of the oral statement is a transcription of full notes which were taken during the making of the statement:⁶⁸

⁶³ See memorandum of September 23, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 634.

⁶⁴ Not printed, but see memorandum by the Ambassador in Japan, September 22, 1941, *ibid.*, p. 631.

⁶⁵ Telegram not printed; for text of basic terms, see *ibid.*, p. 633.

⁶⁶ See memorandum of September 10, 1941, *ibid.*, p. 614.

⁶⁷ *Ibid.*, p. 623.

⁶⁸ For translation of Japanese text, see *ibid.*, p. 640.

(Begin statement) The reasons for which the Japanese Government deems necessary the stationing of troops in certain areas of China for a certain period, even after the settlement of the China affair, are as follows:

1. Japan's desire to collaborate in the construction of a peaceful China.

The history of China proves abundantly that her internal order has been constantly disturbed, especially after periods of warfare. Maneuvers originating abroad, which take advantage of this fact, have sometimes provoked serious conflict between China and Japan and other powers. Thus internal disorders have often degenerated into international friction. Communistic activity at the present time, as we are all aware, is very intensive, and it is prejudicial to the preservation of internal order. If this state of affairs is to be repeated in the future as it has in the past, the stabilizing of the livelihood of the Chinese people and the promotion of their welfare would be almost hopeless. Accordingly, the maintenance of internal order after peace shall have been restored between China and Japan is a matter of the utmost importance. Hoping, therefore, that China will put forth every effort promptly to restabilize the livelihood of her people, Japan desires that China herself and by her own efforts alone shall achieve that end, the realization of which Japan keenly desires. But Japan recognizes the difficulty of this task under the present circumstances (not only for this reason but for the reason hereafter set forth under paragraph numbered 2). Thus Japan is prepared to collaborate with China for the achievement of that end by stationing her troops in China within certain areas and for a certain necessary period.

2. To assure the security of Japan.

Even from the economic point of view the maintenance of order in nearby regions is a question which inevitably exercises influence on the very existence of Japan. The situation prevailing in China on the restoration of peace between Japan and China, after four years of conflict, wide in character and modern in scale, from the military point of view exercises even more influence on Japan's existence. In addition, it may be said that almost the entire world is involved in the calamity of war. Accordingly, it is a matter of common sense that Japan should feel justifiable alarm lest there develop in China an extremely serious state of affairs growing out of causes which are internal in origin as well as causes which originate abroad. To prevent that state of affairs, which would in fact be to protect Japan's very existence, necessitates the stationing of troops in China for a necessary period of time.

In conclusion, Japan considers for the reasons above set forth the stationing of her troops in China under the conditions above mentioned to be absolutely necessary. However, she is ready to withdraw her troops when the necessity above described shall have ceased. The idea of maintaining internal order in China by the stationing of international forces is not agreeable to Japan in view of the present trend of Japanese public opinion and of the fact that Japan is directly and most vitally affected by the maintenance of order in China. (End statement.)

GREW

711.94/2345

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] September 24, 1941.

The Australian Minister called at his request. I said that there was no change in the exploratory talks with Japan, and that the matter looked less favorable than it had for some time. The Minister was naturally very much interested in information on this subject.

Some minor references to matters of no particular consequence were made.

C[ORDELL] H[ULL]

793.94/17017½

Memorandum by Mr. Joseph W. Ballantine

[WASHINGTON,] September 25, 1941.

With reference to the question whether this Government should, without endeavoring to work out matters any further than we have now gone with Japan, proceed with arrangements for a meeting between the President and the Prime Minister with the understanding that such a meeting would be preceded by a public announcement that the purpose in view is to effect a frank exchange of views between the heads of states and that the negotiation of an agreement is not contemplated, there are given below certain considerations both *pro* and *contra* the holding of such a meeting:

Pro.

(1) The holding of such a meeting under any circumstances might be interpreted in certain quarters as indicating that Japan is beginning to question the ability of Germany to win the war in Europe and that Japan is seeking to explore the possibility of withdrawal in effect from the Axis. To that extent, there might accrue a temporary advantage to the forces opposing Hitlerism. Long-swing advantages would be obtained, however, only if the meeting were followed by materialization of peace in the Pacific and of a return to normal commercial relations.

(2) There would be likely to occur in Japan as an immediate psychological effect of such a meeting the development of public opinion in that country along lines favorable to the United States. The Japanese people are war-weary and would welcome prospects of peace and a return to more normal relations with the United States and to more normal internal conditions. The reaction in Japan might well give an impetus toward halting, at least temporarily, Japanese aggression, would probably strengthen for the time being any elements in Japan

earnestly desiring to follow peaceful courses and might enable the Japanese Government, if it so desired, to make a substantial movement toward withdrawal in fact if not in name from the Axis and to cooperate with this and similarly minded nations.

(3) Such a meeting might serve as useful evidence to the Japanese people that this Government entertains no hostility against Japan and is willing to listen to a presentation of Japan's case.

(4) Such a meeting would afford an opportunity for the President to talk with the utmost candor directly to the Prime Minister of Japan and to make clear in a way that would be impossible through diplomatic channels the determination of this Government to adhere to its principles and its policies and the intention of this Government to oppose further aggression by Japan.

Contra.

(1) Regardless of whether we announce in advance that the negotiation of an agreement is not contemplated, there is bound to be widespread belief that some agreement is in prospect. Even if subsequent to the meeting we announce that no agreement has been concluded, it is likely that there would be widespread belief that some kind of secret agreement or understanding has been reached. This belief probably would be dispelled only through the continuance for some time thereafter of our present measures against Japan.

The presumptions that would thus be created and continue to prevail would have a far-reaching and immediate effect in China detrimental to the interests of the forces opposing aggression. Even though we have categorically assured the Chinese Government that we will not in any way sacrifice the principles for which we stand and even though the Chinese Government has publicly announced its confidence in this Government, there would probably occur a lowering of morale and an impairment of the will and determination to continue resistance to Japanese aggression. Such a development might readily set in motion in China a process of political disintegration and disaffection which [would?] play into the hands of Japanese imperialists. If present morale in China were seriously impaired, it would probably be most difficult to revive in China the psychology necessary to continue effective resistance against Japan.

The misgivings of the British and the Dutch and other Governments would probably not be as serious as in the case of China but there might result, nevertheless, a breakdown in their efforts to maintain a firm front against Japan.

(2) Announcement of the meeting would arouse Japanese people's hopes that the meeting would be followed by a settlement of the "China affair", the cessation of this country's aid to China, and the restora-

tion of normal commercial relations with the United States. When those hopes failed to materialize within a short period, would not the resulting reaction in Japan be more detrimental to our interests than if the meeting had not been held? Moreover, such a meeting would create illusions for the Japanese people and would operate as a factor to hide from the Japanese people the wide discrepancy between the viewpoints of the American and the Japanese Governments.

(3) The effect of such a meeting upon the American public would in all probability be unfavorable, particularly among those groups which have exhibited an uncompromising stand on the question of stopping Japanese aggression. Other sections of the American public might obtain the erroneous impression that the positions of the United States and Japan are not wide apart and there might thus occur a weakening of public support for future measures which it might be desirable to take against Japan.

It is believed that the arguments *contra* the holding of the proposed meeting of chiefs of Governments under the conditions outlined outweigh the arguments *pro*.

711.94/2344½

Memorandum by Mr. Max W. Schmidt, of the Division of Far Eastern Affairs, to the Chief of the Division (Hamilton)

[WASHINGTON,] September 25, 1941.

Apropos the question of possible action which might be taken by this Government prior to September 27, the following suggestion is made for your consideration:

The Department might telegraph Ambassador Grew and instruct him to inform the Prime Minister either directly or through the Minister for Foreign Affairs that this Government has been unable to overcome the feeling that the concrete proposals contained in the Japanese communication of September 6⁶⁹ serve to narrow and restrict not only the application of the principles upon which our informal conversations have been based but also the various assurances given by the Japanese Government of its desire to move along with the United States in putting into operation a broad program looking to the establishment and maintenance of peace and stability in the entire Pacific area; that this Government will in the very near future communicate through the Japanese Ambassador its reply to the proposals of September 6; that in the interim the Ambassador has been instructed to convey to the Prime Minister the following message from the President of the United States:

⁶⁹ *Foreign Relations, Japan, 1931-1941, vol. II, p. 608.*

"It is gratifying to me to note that the Japanese Government and you have expressed belief in the principles enunciated by myself and the Secretary of State as being the only sound basis for relations between nations, and it is my conviction that if the Governments of Japan and of the United States are resolved to give those principles practical and comprehensive application, we can hope to work out a fundamental rehabilitation of the relations between Japan and the United States and contribute to a lasting peace with justice, equity and order in the Pacific area."

711.94/2313 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 25, 1941—7 p. m.
[Received September 25—1:25 p. m.]

1511. For the Secretary and Under Secretary only.

1. The Director of the American Bureau called on me this afternoon at his request and made to me an oral statement substantially as follows:

The Minister for Foreign Affairs had repeatedly informed me in detail that the present state of mind of the Japanese Government is that it is momentarily awaiting a reply from the American Government with regard to the proposal for a meeting of the heads of government. As time presses, Mr. Terasaki had called on me without waiting to receive the express authorization of the Foreign Minister, who was absent from the Foreign Office. The purpose of his visit was, first, to inquire whether I had received from my Government any information with regard to the proposal above mentioned, and, second, to hand me a document. That document is responsive so far as possible to the formulae and the substance of the American draft statement of June 21 and is at the same time explanatory of the proposal handed to me on September 4 by the Foreign Minister.⁷⁰ It contained no new proposal whatever. It was prepared largely for purpose of ready reference, as it would enable us to find in one document a presentation of the position which the Japanese Government was prepared to take, as set forth in Admiral Toyoda's proposal of September 4 and in the various explanatory statements made by him. It is not to be regarded as a formal instrument such as a treaty; its text is to be considered "entirely flexible" and subject to revision as the American Government may propose; but the Japanese Government will not be agreeable to any modification of its substance.

2. I asked Mr. Terasaki whether the document, which he then handed me, had received the approval of the Japanese Government. He replied in the affirmative.

⁷⁰ For text, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 597.

3. The text of the document is set forth as indicated in my following telegram No. 1512, September 25, 8 p. m.⁷¹

4. In response to Mr. Terasaki's inquiry whether I had received any information from my Government, I read to him the substance of the last paragraph of your 607, September 23, 6 p. m.

GREW

793.94/16966

The Ambassador in China (Gauss) to the Secretary of State

[Extract]

No. 151

PEIPING, September 27, 1941.

[Received October 27.]

SUMMARY

SIR: The Japanese Expeditionary Force in north China has always been a strong advocate of the complete autonomy of north China; its functions however are primarily military. Other agencies in this area are the Army-dominated Asia Development Board, the Japanese Army Special Service Section and the Japanese *Gendarmerie*, each of which functions to a large degree independently of the other. Since the establishment of the Asia Development Board, the authority of the Japanese Foreign Office in China has been seriously curtailed, and the inability of the civil authorities to curb the activities of the military may account in part for the frequent futility of "third-power" diplomatic representations made in connection with acts committed by the Japanese military in China. Even though, on the termination of hostilities in China, the Japanese military may be withdrawn, it seems probable that the Asia Development Board or some similar agency representing Japanese vested interests will continue to function in north China and will prove to be a formidable obstacle to a settlement satisfactory to China, Japan and third-power interests.⁷²

Respectfully yours,

For the Ambassador:
RICHARD P. BUTRICK
Counselor of Embassy

⁷¹ Not printed; for text of document, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 637.

⁷² In a memorandum of November 28 the Adviser on Political Relations (Hornbeck) said: "This situation cannot be untangled or be made to work by *agreements*. Either the Japanese stay in and *govern* China (it being more than doubtful whether they are capable of governing the Chinese) or the Japanese military get out (through operation—which will require time—of many forces too strong for them to overcome) and their 'carpet-baggers' get out and the Chinese govern in their own country."

*The Secretary of State to President Roosevelt*⁷³

When the Jap Prime Minister requested a meeting with you he indicated a fairly basic program in generalities, but left open such questions as getting troops out of China, Tripartite pact, non-discrimination in trade on Pacific.

We indicated desire for meeting, but suggested first an agreement in principle on the vital questions left open, so as to insure the success of the Conference.

Soon thereafter, the Japs *narrowed* their position on these basic questions, and now continue to urge the meeting at Juneau.

My suggestion is to recite their more liberal attitude when they first sought the meeting with you, with their much narrowed position *now*, and earnestly ask if they cannot go back to their original liberal attitude so we can start discussions *again* on agreement in principle *before* the meeting, and reemphasizing your desire for a meeting—

711.94/2344††

President Roosevelt to the Secretary of State

HYDE PARK, N. Y., September 28, 1941.

I wholly agree with your pencilled note—to recite the more liberal original attitude of the Japanese when they first sought the meeting, point out their much narrowed position now, earnestly ask if they cannot go back to their original attitude, start discussions again on agreement in principle, and reemphasize my hope for a meeting.⁷⁴

F[RANKLIN] D. R[OSEVELT]

711.94/2319: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 29, 1941—noon.

[Received 2:25 p. m.]

1529. For the Secretary and Under Secretary only. 1. A review of our exchange of confidential telegrams since last spring pertaining to the preliminary conversations in Washington and Tokyo reveals the steadily increasing and latterly intensified efforts of Japanese Government to bring about without further delay the proposed meeting be-

⁷³ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y. Penciled statement on White House stationery, accompanied by a note from the Secretary of State: "My suggestion on Jap. situation—for you to read *later*. CH".

⁷⁴ See oral statement of October 2, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 656.

tween the representative heads of the two Governments. Although my role in connection with these conversations is chiefly that of a transmitting agent, it is naturally my wish to help in any constructive way, first in endeavoring to convey to the President and yourself an accurate appraisal of conditions and factors in Japan which bear directly or indirectly on the subject under reference, and second toward bringing the Japanese Government to the adoption of such policies and measures as the American Government considers essential for a mutual agreement or understanding between the two countries.

For an extensive period, ever since the fall of the Yonai Cabinet,⁷⁵ American diplomacy in Japan was through force of circumstances temporarily in eclipse. With the advent of the Konoye-Toyoda regime, however, American diplomacy has been given a new and very active lease of life, and it is my earnest hope that this propitious period will not be allowed to pass without our laying down a new foundation of sufficient stability to justify a reasonable degree of confidence that whatever structure we may gradually but progressively erect upon it can and will endure.

2. In the past I have pointed out that the pendulum in Japan has always swung between extremist and moderate policies; that under the circumstances then existing no Japanese leader or group of leaders could reverse the expansionist program and hope to survive; that only insuperable obstacles would prevent the Japanese from digging in permanently in China and from pushing the southward advance. I have pointed out that the risks of not taking positive measures to maintain the future security of the United States were likely to be much greater than the risks of taking positive measures; that Japan has been deterred from taking greater liberties with American interests only out of respect for our potential power, and that only a show of force and a demonstration of our willingness to use that force if necessary would call a halt to Japan's program of forcible expansion. I have stated that, if by such action we could bring about the eventual discrediting of Japan's leadership, a regeneration of thought might ultimately take shape in this country, permitting the resumption of formal relations with us and leading to a readjustment of the whole Pacific problem.

3. I respectfully submit that this is precisely the policy which has most wisely been followed in the United States and that this policy, in connection with other world developments, has conduced to the discrediting of Japan's leadership, notably that of Mr. Matsuoka. Among those world developments was first of all the positive reaction of the United States to Japan's conclusion of the Tripartite Alliance and its recognition of the Wang Ching Wei regime, followed by the

⁷⁵ July 16, 1940.

German attack on Russia which upset the basis on which Japan had joined the Axis for the purpose of affording security against Russia and so avoiding the danger of being caught between Russia and the United States. Japan is now trying to get out of an extremely dangerous position caused by miscalculation. I have pointed out to the Department that the impact of events abroad inevitably brings about changes in Japan's foreign policies and that the trend of events might in due course bring the liberal elements to the top. That time has come. If a program of world reconstruction along the lines of the Roosevelt-Churchill declaration can be followed, there is a good chance under these new conditions that Japan will fall into line. The policy followed by the United States of many years of forbearance and patient argumentation and efforts at persuasion in conjunction with our manifest determination to take positive measures as called for, added to the impact upon Japan of world developments, has rendered the political soil in Japan hospitable to the sowing of new seeds which, if carefully planted and nourished, may lead to that anticipated regeneration of thought in this country and to a complete readjustment of Japan's relations with the United States.

4. The thought has been advanced from certain quarters, and is no doubt prominently in the mind of the American Government, that an agreement between the United States and Japan at this juncture would serve merely to afford Japan a breathing spell in which, having succeeded with the help of the United States in untangling herself from the China conflict, she would recoup and strengthen her forces for a resumption of her program of expansion by force at the next favorable moment. No one can with certainty gainsay that thought. It is also held by this school of thought that by a progressive intensification of economic measures against Japan on the part of the United States, Great Britain and the Netherlands, Japan would be forced by the deterioration of her domestic economy and by the threat of economic, financial and social collapse to relinquish her expansionist program. If the foregoing thesis is accepted as reasonably sound, we have been confronted with the dilemma of choosing between two methods of approach to reach our objective, on the one hand the method of progressive economic strangulation and on the other hand the method not of so-called appeasement but of constructive conciliation, with the inception of the preliminary conversations in Washington and the acceptance in principle by the President of the proposed meeting with the Japanese Prime Minister, and it would appear that the American Government had definitely chosen the latter procedure. Indeed we have never departed from our willingness, as expressed in our note of December 30, 1938,⁷⁶ to negotiate with

⁷⁶ *Foreign Relations, Japan, 1931-1941*, vol. I, p. 820.

Japan on any issues, even although Japan had already then embarked on a program of expansion by force. The wisdom of our choice from the point of view of farseeing statesmanship would appear to be beyond cavil. If the conciliatory and constructive method of approach should fail either now or later, the other method of applying progressive economic sanctions would always be available. Whatever trend our relations with Japan may now take, whether for better or for worse, it appears obvious that the United States will have to remain in a state of preparedness for a long time to come. Meanwhile we may take whatever degree of encouragement that may be justified in the thought that the eventual victory of Great Britain in the World War would automatically solve many problems.

5. Admitting that risks must inevitably be involved in whatever course we pursue in dealing with Japan, it is my carefully studied belief that an agreement along the lines of the preliminary conversations, if brought to a head by the proposed meeting between the representative heads of the two Governments, would hold out substantial hope at the very least of preventing the situation in the Far East from going from bad to worse if not of ensuring definitely constructive results. On former occasions I have expressed the opinion that the principal point at issue in American-Japanese relations is not whether we must call a halt to the Japanese program of expansion but when. The question arises whether we are not now presented with the opportunity to halt that program without war or the immediate risk of war, and whether, if the present opportunity fails us, we shall not be confronted with the greatly increased risk of war. I firmly believe that the answers to those questions are in the affirmative.

6. It is held in certain quarters that under existing circumstances it is altogether improbable that Japan would deliberately take action in response to any action which the United States is likely to take in the Pacific, which action, if taken by Japan, would mean war between that country and the United States. I cannot agree that war might not supervene as a result of actions, whether deliberate or irrational, by elements in either country which might so inflame public opinion in the other country as to render war unavoidable. Let us not forget either the *Maine*⁷⁷ or the *Panay*.⁷⁸

7. In this entire problem it is essential to understand Japanese psychology which is fundamentally different from the psychology of any Western nation. We cannot measure Japanese reactions to any

⁷⁷ For correspondence regarding sinking of the U. S. S. *Maine* in Havana harbor February 16, 1898, see *Foreign Relations*, 1898, pp. 1024 ff.

⁷⁸ For correspondence regarding sinking of the U. S. S. *Panay* above Nanking by Japanese air attack December 12, 1937, see *Foreign Relations*, Japan, 1931-1941, vol. I, pp. 517 ff., and *Foreign Relations*, 1937, vol. IV, pp. 485 ff.

given set of circumstances and predict Japanese actions by any Western measuring rod. For a country so lately emerged from feudalism, this fact is hardly surprising. It is in endeavoring accurately to interpret that psychology that I conceive my principal duty to lie, and I have aimed to do so in many reports sent to the Department during the past several months and years. With this thought constantly in mind, I venture respectfully to advance the following considerations even at the risk of repetition.

8. If we expect and wait for the Japanese Government to agree in the preliminary conversations to clear-cut commitments of a nature satisfactory to our Government in point both of principle and of concrete detail, the conversations will almost certainly drag on indefinitely and unproductively to a point where the Cabinet and those supporting elements who desire *rapprochement* to the United States will reach the conclusion that the American Government is merely playing for time and that the outlook for an agreement is hopeless. In such a contingency, having in mind Japan's abnormal sensitiveness and the abnormal effects of loss of face, the reaction here might and probably would be serious, resulting in the discrediting of the Konoye Government and a revulsion of feeling against the United States which might and probably would lead to unbridled acts, the eventual cost of which would not be reckoned, of a nature likely to enflame the American people and through measures of reprisal and counter-reprisal lead to a situation where war would be difficult to avoid. The downfall of the Cabinet and its replacement by a military dictatorship with neither the temperament nor the disposition to avoid a head-on collision with the United States would be the logical outcome. It is open to question whether such a situation would not prove to be even more serious than that which would be created if the proposed meeting between the representative heads of the two Governments were to take place as planned and should fail to produce a wholly satisfactory agreement. In other words it is open to question whether a lack of complete success in negotiations undertaken in good faith would not prove to be less serious than would be the case if there were demonstrated unwillingness by the United States to enter upon such negotiations at all.

9. It has been repeatedly emphasized to me, and I believe that we must accept these declarations at their face value, that the Japanese Government cannot give us in advance of the proposed meeting and formal negotiations definitions of future commitments and assurances more specific than those already given. One reason for this position, as I have been told in the strictest confidence, is that Mr. Matsuoka, after his retirement from the Foreign Office, gave the German Ambassador in fullest detail an account of the Washington conversations up to the moment of his retirement. Many of Mr. Matsuoka's sup-

porters are still in the Foreign Office, and the fear has been expressed that these individuals would not scruple to disclose to the extremists as well as to the Germans any information which would render the position of the present Cabinet untenable. While the Japanese Government has provisionally accepted certain basic principles, the formulae and definitions of future Japanese policy and objectives hitherto advanced in the preliminary conversations and the statements supplementing those definitions are open to the widest interpretation and are so abstract or equivocal as to create confusion rather than to clarify the commitments which the Government is prepared to undertake. At the same time we are told that the Prime Minister is in a position to offer the President in direct negotiations assurances of a far-reaching character which would not fail to be satisfactory to us. Whether or not that is so, I have no way of knowing. I would point out however that with regard to the specific case of Japan's relations with the Axis the Japanese Government, while consistently refusing to give an undertaking overtly to renounce membership in the alliance, has in actual fact shown itself ready to reduce to a dead letter Japan's adherence to the alliance by indicating readiness to enter into formal negotiations with the United States. It is therefore not unlikely that the Prime Minister might be in a position to give directly to the President an engagement more explicit and satisfactory than already vouchsafed during the preliminary conversations.

10. In consideration of the foregoing observations, which I have every reason to believe sound, I feel that we shall fail to reach our objectives if we insist and continue to insist in the preliminary conversations on the furnishing by Japan of the sort of specific, clear-cut commitments which we would expect to see embodied in any formal and final treaty or convention. Unless we are prepared to place a reasonable degree of confidence in the professed good faith and sincerity of intention of Prince Konoye and his supporters to mould the future policy of Japan on the basic principles which they are prepared to accept and to adopt measures gradually but loyally implementing those principles, it being understood that we shall implement our own commitments *pari passu* with the steps taken by Japan, I do not believe that we can succeed in creating a new orientation in Japan which would lead to a general improvement in our relations and the hope of avoiding ultimate war in the Pacific. The only way of wholly discrediting the Japanese army and military machine is by wholesale military defeat of which there is at present no prospect. The alternative, and I believe the only wise alternative, is to endeavor to bring about a regeneration of thought and outlook in Japan, along the lines of our present efforts through constructive conciliation. Is it not the better part of wisdom and of statesmanship to bring these efforts to

a head before they lose the force of their initial impetus and find themselves unable to overcome the opposition which we believe will inevitably and steadily mount in Japan.

11. The foregoing discussion is submitted in all deference to the far broader field of view of the President and yourself and in full awareness that my approach to this problem is restricted to the viewpoint of the Embassy in Tokyo.

GREW

711.94/2333 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, September 30, 1941—4 p. m.
[Received September 30—1:33 p. m.]

1543. For the Secretary and Under Secretary only. In several of my telegrams I have reported that there has been indicated to me in various ways the fact that the Japanese Government cannot afford to take the risk—because of probable premature disclosure or leakage of information of presenting the full sweep of the commitments which it would be prepared to undertake in the course of the proposed formal negotiations. I have in mind among other references the third paragraph of my 1493, September 21, 3 p. m., and the implications of paragraph numbered 3 and of the first sentence of paragraph numbered 5 of the Foreign Minister's oral statement of September 27,⁷⁹ as reported in my 1524, September 27, 10 p. m.⁸⁰ That such fears are not without justification is shown by the fact that, according to an American correspondent in Tokyo, the German Embassy is actively circulating a report to the effect that a technical commission of Japanese Army and Navy officers and officials of the Foreign Office is being organized and will be sent shortly to Washington to take part in negotiations with the American Government.

GREW

711.94/2320 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, September 30, 1941—5 p. m.
[Received September 30—10:51 a. m.]

1544. For the Secretary and Under Secretary only. I understand from my British colleague that the British Government, although admittedly without knowledge of the precise character and scope of the settlement which is envisaged in the present exploratory conversations between the American and Japanese Governments, would not

⁷⁹ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 642, 643.

⁸⁰ Not printed.

view with favor any settlement by negotiation with Japan on the ground that there would be given Japan a breathing spell to recuperate and to muster its forces for further acts of aggression at the first favorable opportunity.

As indicated in the last paragraph of my 1529, September 29, noon, I plainly realize that there may be considerations lying entirely outside my competence which might dictate need for returning a negative reply to the proposal of the Japanese Government. Anticipating the probability that the British Government, if ever consulted by our Government, would advance the argument above set forth, I wish to present briefly the following considerations.

1. Germany, because of its power and resources, is the primary threat to the democracies. If Germany were to defeat Britain, the fact of Japan's having been given a breathing spell would presumably be a matter of secondary interest and concern to the British people. If on the other hand Germany were defeated, the problem of them preventing a nation, which has been unable to defeat China after more than four years of supreme effort, from engaging in further acts of aggression would be incomparably less difficult and less costly than disposing of that nation during the course of the present war.

2. There are many reasons for believing that the adverse trend in American-Japanese relations, now temporarily arrested by the current conversations, could not continue indefinitely without terminating in conflict between Japan and the democracies. The full weight of the latter's cause in the event of such conflict would fall upon the United States, requiring the diversion and expenditure on a large scale of personnel and material now vitally needed by Britain.

3. If satisfactory adjustment of Pacific problems could be made, the cause of the democracies would be benefited by :

- (a) Injury to the morale of the peoples of Germany and Italy and of other nations associated with or sympathetic toward those countries ;
- (b) The transference to the Atlantic of the American fleet gradually and in step with the liquidation of Japan's expansionist program ;
- (c) Availability of Japanese merchant ships and dockyards to moderate increasingly acute shortage of British shipping.

GREW

711.94/2314 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 30, 1941—11 p. m.

629. For the Ambassador and the Counselor only. The Japanese Embassy on September 27 delivered to the Department a document ⁸¹

⁸¹ *Foreign Relations, Japan, 1931-1941, vol. II, p. 637.*

substantially the same as that reported in your 1512, September 25, 8 p. m.⁸²

The Japanese Ambassador called at his request on September 29⁸³ and delivered a document containing the purport of the remarks which the Foreign Minister made to you on September 27⁸⁴ (substantially the same as reported in your 1524, September 27, 10 p. m.⁸⁵).

I told the Ambassador that I expected to give him within the next two or three days a memorandum dealing with the proposals of the Japanese Government.

HULL

711.94/2356

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] October 1, 1941.

The Ambassador of China called at my request. I first referred to the armed conflicts in both the East and the West and inquired what he thought of the situation in the West. Later I showed him a map giving the position of the armies on the Russo-German front. The Ambassador did not undertake to shed any light on the Western situation, but turned to the East. He said that the morale of the Chinese was high, and that the outlook was good. I pointed out the probability of a German move into the Middle East and then I inquired of him what he thought the Japanese would do with respect thereto, apart from their conflict with China. He discounted the idea of any particular movement by Japan except in fighting China.

I said to the Ambassador that I had no particular purpose in asking him to come to see me except to say that there was really nothing new in the exploratory conversations, which have been taking place from time to time between officials of this Government and the Japanese Government, the main talks having taken place between the Japanese Ambassador and myself. I added that the situation was virtually the same as before and that this Government, of course, has had no other purpose, as has been repeatedly stated to the Ambassador and to his Government, than to discuss fully with China any pertinent questions which might arise in the possible event that we should reach the stage of negotiations. I made it clear that the chances of this latter possibility at all times have been one out of 25 or 50 or even 100. I further stated that we expected to continue to aid China until a satisfactory settlement is made. The Ambassador

⁸² Not printed.

⁸³ See *Foreign Relations, Japan, 1931-1941*, vol. II, p. 651.

⁸⁴ *Ibid.*, p. 652.

⁸⁵ Not printed, but see memorandum by the Ambassador in Japan, September 27, 1941, *ibid.*, p. 641.

seemed pleased to have been called in for a report by me relative to our exploratory talks with Japan.

The Ambassador had nothing particularly new to tell me except to answer a few questions with respect to the battle of Changsha and the improved relationship between the Chinese Communists and the other Chinese forces. He indicated that Outer Mongolia and Tibet were about one-half Chinese while Inner Mongolia was chiefly, if not wholly, Chinese. He said he did not know much about conditions in Manchuria and that he was not at all sure that Japan contemplated an attack on Siberia at any early date.

C[ORDELL] H[ULL]

711.94/2337 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 1, 1941—9 p. m.

[Received 9:36 p. m.]

1561. For the Secretary and Under Secretary only. 1. My Polish colleague learns from his intimate contacts in the Black Dragon Society that the proposal of the Prime Minister to meet the President on American soil is now generally known in political circles in Tokyo and that the proposal is generally applauded, even in military circles, on the ground that the economic situation in Japan renders a settlement with the United States absolutely essential. It is said that delegations from important political groups have called on Prince Konoye to assure him that the country as a whole will support him in his endeavors to reach an agreement. These circles are under the impression that the Japanese Government has already agreed to meet the position of the United States but they further aver that, if the conference takes place, the Prime Minister will be obliged to accept the American conditions because it would be unthinkable for him to return to Japan having failed in his mission.

2. The circles mentioned above attach importance to the facts that Prince Konoye purposely absented himself from Tokyo on the anniversary of the conclusion of the Tripartite Alliance, that the celebration was reduced to a minimum and that German elements in Japan are now under close surveillance by the police.

3. The information in paragraph 1 above tends to support the repeated assurances conveyed to me by the Foreign Minister that all difficulties can and will be ironed out at the proposed conference between the responsible heads of the two Governments.

GREW

711.94/9-3041

Memorandum by the Adviser on Political Relations (Hornbeck) ⁸⁶

[WASHINGTON, October 2, 1941.]

Reference Tokyo's telegram number 1542 of September 30 ⁸⁷ and previous telegrams regarding recent Japanese demands, under threat of force, for air bases and military barracks in southern Indochina, which demands the French have complied with under threat of force.

Coming at precisely this moment this incident is of special significance. The most noticeable recent increase in tension in Japanese-American relations arose directly from Japan's move last July under threat of force into southern Indochina. An emphasized point in the American position in the conversations which have ensued subsequent to that occupation has been our suggestion that, as one of the first steps which Japan should take in order to better her relations with the United States, her forces in Indochina should be withdrawn.

While Japanese "moderates", official and unofficial, are still carrying on conversations with the United States envisaging the possibility of some significant settlement between Japan and the United States, while these representatives declare that the Japanese Government is in accord with the principles to which the United States is committed, and after repeated specific assurances have been voiced that *this time* the Japanese Government speaks with the full concurrence of the leaders of the Japanese Army, a new Japanese move of aggression *is now ordered by the Japanese Government* and is now taking place in the very area where, as the Japanese well know, recent actions by Japan have been a particular cause of concern to the United States and a specific topic in the conversations. Our Tokyo Embassy reports that the French Counselor of the Embassy at Tokyo states that the Japanese Foreign Office has affirmed to that official that the Japanese Government does not approve of the attitude of the Japanese military authorities in Indochina but is not in a position to intervene. But, we have indisputable evidence that the Japanese Government has ordered and is directing, in major outline, the move which the Japanese military authorities are now in process of making.

This incident affords new indicative evidence that (1) the "moderate" element in the Japanese Government is not in a position (has not the *effective* authority) reliably to guarantee that Japan's military forces will desist from their program of conquest and (2) while that element professes that all elements in the Japanese Government are

⁸⁶ Copy unsigned, undated, but sent by Dr. Hornbeck to Messrs. Hamilton and Ballantine on October 2.

⁸⁷ Vol. v, p. 299.

prepared to make a commitment to refrain from further actions of aggression, the Japanese Government as a whole is both sanctioning and ordering a new step in the national program of conquest.

CHAPTER V: OCTOBER 2–NOVEMBER 15, 1941

Reply to Japanese proposals (October 2); Japanese disappointment in American reply (October 14, 18); resignation of Konoye Cabinet (October 16); President Roosevelt's proposed message to Japanese Emperor (October 16); Ambassador Nomura's suggestion to British Ambassador respecting a *modus vivendi* for Pacific (October 16); Secretary Hull's advice against sending message to Japanese Emperor (October 17); formation of Japanese Cabinet under General Tojo (October 18); special mission of Ambassador Kurusu to Washington (November 4); Ambassador Grew's estimate that Japanese military plans depend upon success or failure of conversations with United States (November 6); suggestion of draft transitional arrangement to avoid collapse of conversations (November 11)

711.94/2340a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, October 2, 1941—8 p. m.

632. For the Ambassador and the Counselor only. I gave the Japanese Ambassador on October 2 a statement⁸⁸ dealing with the Japanese proposals of September 6,⁸⁹ and with subsequent communications from the Japanese Government. In that statement there is reviewed briefly the exchanges of documents and messages on August 17, August 28 and September 3,⁹⁰ and there is reaffirmed the desire of this Government that there be worked out a peaceful settlement of Pacific problems on the basis of practical application to the entire Pacific area of the fundamental principles which we believe constitute the only sound practicable basis for stable relations between nations. There is expressed the gratification of the President and the Government of the United States at receiving on August 28 the message of Prince Konoye and the statement of the Japanese Government, setting forth a desire and intent on the part of Japan to follow courses of peace in harmony with basic principles to which this country and people are committed and also the statement of Prince Konoye to you on September 6⁹¹ that he fully subscribed to the four principles which have on several occasions been enumerated to the Japanese Government. The observation is made that this Government has not sought to undertake discussion of details but has requested certain clarification in the belief that efforts toward a meeting of minds would thereby

⁸⁸ *Foreign Relations, Japan, 1931–1941*, vol. II, p. 656.

⁸⁹ *Ibid.*, p. 608.

⁹⁰ *Ibid.*, pp. 556, 557, 572, 573, 589, and 591.

⁹¹ See memorandum by the Ambassador in Japan, September 6, 1941, *ibid.*, p. 604.

be expedited. It is pointed out that such developments and assurances precedent to the Japanese proposals of September 6 seemed to justify a conclusion that adherence to and practical application of a broad progressive program for the entire Pacific area might be expected from Japan; but that we were disappointed that the proposals of September 6 and subsequent communications from the Japanese Government, in our opinion, served to narrow and restrict application of basic principles and various broad assurances given by the Japanese Government.

It is noted that there may arise in some minds questions regarding Japan's purpose in circumscribing its assurances of peaceful intent with qualifications which would seem to be unnecessary. Reference is made to Japan's restriction to the southwest Pacific of economic non-discrimination (Section V of the draft understanding⁹²) and to the introduction of unspecified reservations and vague desiderata based on Japan's propinquity to China. The undesirability of either the United States or Japan pursuing one course in some areas and an opposite course in other areas is set forth. It is pointed out that the procedure of insisting, while in military occupation of parts of China, upon the right to station troops in China would not seem to be in harmony with progressive enlightened courses and principles under discussion and therefore would not, we believe, be likely to contribute to stability or peace. Appreciation is expressed of Japan's further step toward solving the difficult question of its attitude toward the European war and request is made for further study. The suggestion is offered that Japan might go far toward disarming possible critics and making clear its intention and desire to follow courses leading to peace and stability by a clear-cut manifestation of its intent toward withdrawal of troops from Indochina and China.

There is pointed out our impression that the Japanese proposals of September 6 and subsequent communications appear to disclose divergence in our Governments' concepts—we envisage a broad-gauge program of uniform application of liberal and progressive principles throughout the whole Pacific area; but from what we have thus far received from the Japanese Government, Japan seems to envisage certain qualifications and exceptions to any such program.

The question is asked whether, providing the impression of divergence in concepts of the two Governments is correct, the Japanese Government feels that a meeting of the heads of state would serve to advance the high purposes sought by both countries. This Government's belief is expressed that renewed consideration of fundamental principles already referred to may helpfully advance our common

⁹² See text of September 25, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 637, 639.

efforts to reach a meeting of minds on essential questions and thereby provide a firm foundation for a meeting between the President and the Prime Minister. Reference is made to the continued and active interest of the President in this subject; and, in conclusion, it is stated that the President earnestly hopes that discussions of basic questions may be developed so that such a meeting can be held and that the Japanese Government shares the conviction of this Government that, if both Governments resolve to give practical and comprehensive application to the principles mentioned, there can be worked out a rehabilitation of relations between the two countries and contribution can be made to stable peace in the entire Pacific area with order, equity and justice.

After reading the statement the Japanese Ambassador said that in view of the very earnest desire of the Japanese Government to hold the meeting, he feared his Government would be disappointed. The Ambassador assured me of the lack of ulterior purpose and the complete sincerity of his Government in this matter, but added that internal difficulties in Japan might in his opinion render his Government unable to modify its position further at this time. I replied that I was entirely convinced of the sincerity of the Premier and others in the Japanese Government and mentioned that this Government also faced difficulties, and that it was not easy to satisfy objections of critics, in the light of past developments. I added that this situation made it highly desirable that any agreement should be of such a character that both Governments' purpose to pursue consistently peaceful courses should be self-evident from the agreement itself.

I emphasized that we had no desire to cause any delay, but that the objective of establishing peace in the Pacific area could not be achieved by any patchwork arrangement. I added that we were already in position to gauge public reaction to the proposal of an agreement as a result of there having already been allowed to transpire the fact that exploratory conversations were proceeding, and that it was now important to insure success of any meeting by endeavoring to reach a meeting of minds on essentials.

In emphasizing my belief that no country stood to gain more than Japan by universal application of the principle of non-discrimination in economic affairs, I mentioned my desire to give the Ambassador a report of the Lima Conference and the resolutions on economic matters adopted there^{92a} in the belief that the Japanese Government might consider adopting similar policies in the Far East.

^{92a} Resolution on the reduction of trade barriers, adopted December 16, 1938, by the Eighth International Conference of American States, Department of State, *Press Releases*, December 24, 1938, p. 473.

The Ambassador mentioned measures taken by other countries, such as Empire preferences adopted at Ottawa ^{92b} as having given rise to ideas of a regional economic bloc. I replied that I had been fighting such measures as were taken at Ottawa and that in the fight for liberal economic policies I would like to have Japan ranged with this country.

HULL

740.0011 European War 1939/16081

The Acting Assistant Chief of Staff, War Department (Gerow), to the Acting Chief of the Division of European Affairs (Atherton)

WASHINGTON, October 2, 1941.

DEAR MR. ATHERTON: In compliance with your request, I am enclosing a paraphrased copy of two secret radiograms: One sent September 30 to the Commanding General, United States Army Forces in the Far East, and the other dispatched the same date to Major General Chaney, Special Army Observer, in London.

Sincerely yours,

L. T. GEROW
Brigadier General

[Enclosure 1]

PARAPHRASE COPY SECRET RADIOGRAM, WAR DEPARTMENT TO COMMANDING GENERAL, UNITED STATES ARMY FORCES IN FAR EAST, SEPTEMBER 30, 1941

Air defense of Philippines–Australia–Dutch East Indies–Singapore Area, would be strengthened if airfields with necessary detachments and supplies, are established and made available to the United States at Singapore, Port Darwin, Rabaul, and Port Moresby and advanced air depot facilities at Rockhampton.

In order to provide these facilities as early as possible, you are requested to contact, at once, appropriate British authorities in the Far East and secure permission for the establishment of advanced air depot at Rockhampton; the use of airfields at Singapore, Port Darwin, Rabaul and Port Moresby for our heavy bombardment and reconnaissance aviation; and the emergency use of other airfields in British possessions. Also contact local Dutch authorities to secure permission for use of their airfields in an emergency.

United States force will be limited to service detachments. Request British and Dutch provide local defenses. The War Department will

^{92b} Imperial Economic Conference held at Ottawa in 1932. For texts of agreements, see *British and Foreign State Papers*, vol. cxxxv, pp. 161 ff.

at once request London authorities to authorize their local officials to enter into necessary agreement.

When permission is obtained, it is desired that you provide immediately two missions of 500-pound bombs and ammunition at Singapore and Port Darwin, and a similar amount at Rabaul or Port Moresby, or divided between the two, for one heavy bombardment group of 35 airplanes. Supplies will be shipped from Philippine stocks. Bombs and ammunition for two missions at these airfields for an additional heavy bombardment group and replacements for bombs shipped from the Philippines will leave the United States about December 1.

If practicable, please arrange for supply of 100 octane gas and appropriate quantities of oil as follows :

Singapore and Port Darwin	300,000 gallons
Rabaul	} 200,000 gallons
Port Moresby	
Rockhampton	

Advise if local arrangements not possible. Shipment will then be made from the United States. Advise by radio, if necessary shipping can be secured locally and if use of any U. S. Army transports is required.

Air depot detachment for Rockhampton will be organized in the United States and sent first transportation available. Funds will be allotted by War Department on request.

One airfield between Singapore and Manila is essential for operation of B-17 type bomber. Request you urge British to develop one airfield in North Borneo at earliest possible date.

Additional bombers for Philippines are leaving San Francisco October 3. 19th Bombardment group sails same port October 4. Airplanes move by air about October 20. An additional heavy bombardment group (35 B-17) will be dispatched about January 1, and a dive bombardment group (52 A-24) and two pursuit squadrons (50 P-40) during November and December. Transfer of 35 B-24 bombers as reserve will be made January 1942.

It is planned to increase Philippine air units as rapidly as airplanes and units become available. This will provide 136 operating heavy bombers and 34 additional in reserve; 57 operating dive bombers and 29 additional in reserve; 130 operating pursuit planes with an additional 65 in reserve.

Under consideration is one additional pursuit group, Second Aviation Objective strength. Augmentation to commence about April 1942 and to be completed October 1942.

[Enclosure 2]

PARAPHRASE OF SECRET CABLEGRAM SENT TO SPECIAL ARMY
OBSERVER, LONDON—SEPTEMBER 30, 1941

It is considered that the Air Defense of the Philippines–Australia–Dutch Indies–Singapore Area would be materially strengthened if operating fields with necessary supplies and equipment including bombs, ammunition, gasoline and oil, and service detachments at Singapore, Port Darwin, Rabaul and Port Moresby, and advanced air depot facilities at Rockhampton were available to the United States. To provide such facilities at earliest possible moment, you are requested to contact appropriate British authorities in Far East at once and secure permission for use of these facilities and for emergency use of other airfields in British Possessions for operations by our heavy bombardment and reconnaissance aviation. Also contact local Dutch authorities and secure permission for emergency use of their airfields. United States Forces will be limited to necessary service detachments as determined by you. British and Dutch should be requested to provide necessary local defenses. One field between Singapore and Manila suitable for operations of B Seventeen type bombers is essential to our probable operations. Request you urge the British to develop at least one airfield in North Borneo to necessary extent at earliest possible date.

Desire that you request British authorities in London to authorize their local authorities in Far East to enter into necessary agreements with MacArthur and to cooperate with him in the execution of the above directive.

Expedite report of result of your action.

711.94/2359

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] October 3, 1941.

The British Ambassador called at his request. He said that his Government had information to the effect that China, while voicing a contrary view, really desired to see our talks with Japan prove successful. I replied that I had not heard anything to this effect.⁹³

C[ORDELL] H[ULL]

⁹³In a second memorandum, the Secretary of State added that he gave the British Ambassador "the high points" in the conversations with the Japanese in recent months and requested that this information be not repeated by the British Foreign Secretary (711.94/2360).

711.94/2373 : Telegram

*The Military Attaché in Portugal (Shipp) to the War Department*⁹⁴

LISBON, October 6, 1941.

Within 6 months according to Japanese Military Attaché in Madrid the United States and Japan would be at war.

SHIPP

711.94/2348 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТOKYO, October 7, 1941—3 p. m.
[Received October 7—10:05 a. m.]

1579. For the Secretary and the Under Secretary only. A Japanese official who is an intimate friend of the Prime Minister and who closely reflects his views informed the Counselor this morning as follows:⁹⁵

1. The memorandum handed to the Japanese Ambassador by the Secretary of State on October 2,⁹⁶ far from accepting the Japanese proposal for a meeting of the heads of government, contains no helpful suggestion and has made the position of the Prime Minister one of extreme difficulty. The Army had been anxious for sometime to bring about a conclusion by negotiation of the China conflict but it would not assume responsibility for initiating any such settlement. Prince Konoye had, however, assumed that responsibility with the approval and support of the Emperor. If his approach to the United States should end in failure he would have "to admit responsibility" and then there would be no other person with sufficient courage to assume the risks which Prince Konoye had taken or with personal prestige and political influence sufficient to receive the support of the Army in any undertakings vital to the nation as the terminating of the China conflict. Further, Prince Konoye's failure to make any progress in the conversations has furnished his opponents with substantial ammunition.

2. Although many months have elapsed since the beginning of the conversations, the United States which has admittedly given Japan full presentation of its views with regard to the principles which should regulate relations between nations has as yet given Japan no specifications with regard to the exact character of the undertakings which it expects from Japan. An increasing number of persons in

⁹⁴ Received at the War Department October 6, 1941, 6:48 p. m.; paraphrase received in Department of State on October 8. Noted by the Secretary of State.

⁹⁵ See memorandum by the Counselor of Embassy in Japan, October 7, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 662.

⁹⁶ *Ibid.*, p. 656.

Japanese Government circles are coming around to the view that Japan has fallen into a trap. Their line of reasoning is as follows—The United States never had any intention of reaching an agreement with Japan; it has now elicited from the Japanese Government an exposition of Japanese policies and objectives; such policies and objectives are not in line with those of the United States; there is therefore justification for refusal by the United States to adjust relations with Japan and for continuing to maintain against Japan a position of quasi hostility.

3. Even the final memorandum of October 2, which is understood to be a carefully considered statement of American views on the basis of all the information which the Japanese Government is prepared to give with regard to its policies and objectives prior to the opening of formal negotiations, contains no suggestions or indications which would be helpful to the Japanese Government toward meeting the desires of the American Government. It is argumentative and preceptive in tone and uncompromising in substance. It reflected again the apparently great care that has been taken by the American Government not to give the Japanese any specifications or to lay any of its cards on the table (end substance of statement).⁹⁷

GREW

793.94/16937

Dr. E. Stanley Jones to the Chief of the Division of Far Eastern Affairs (Hamilton)

KINSTON, NORTH CAROLINA, October 8, 1941.

DEAR MR. HAMILTON: I do not want to unnecessarily impose upon your time and perhaps your patience, by a continuation of the matter which I raised with you and Mr. Dean Acheson regarding a possible basis of settlement with Japan and China. However, several other things which seemed to me to be relevant, have come to me and I pass them on to you for what they are worth.

If the two things which I mentioned could be put together, I think they would form a basis of possible peace. The two things to which I refer are:

(1) That Japan clear out all troops from China, including north China, and that China then make a treaty with Japan that in case she is attacked in the north by a third party, Japan would come to her help.

⁹⁷ Ambassador Grew in telegram No. 1584, October 8, 1 p. m. (711.94/2349), reported that, after studying the Department's statement of October 2, "we see no justification whatever for the adverse comment made by the informant with regard to the tone and substance of the memorandum. The tone is excellent and the substance helpful."

This would give Japan what she says she needs, namely: A joint defense of north China against Communism; and it would give to China what she wants, namely: Territorial and political integrity. I wrote you that the Japanese Ambassador said that he personally would agree to such a solution in the north, but that he was not sure what Tokyo would do.

(2) That New Guinea should be turned over to Japan for her surplus population. I am persuaded that unless some provision is made for Japan's surplus population any agreement which is now made would have to be made over again within ten years. With an arable territory as big as California, she has twelve times the population of that State. This is a real problem and must be provided for; otherwise, we will have an unstable situation in the Far East.

I suggested that I thought two or three things would come out of such an arrangement: First, that you would save Japan's face; second, that you would provide for Japan's surplus population of [*in?*] New Guinea; with a population of six hundred thousand, it could probably sustain twenty millions; and third: You could relieve pressure upon China and get a generous peace for her in view of the fact that you had been generous to Japan elsewhere; and fourth: It is probable you might detach Japan from the Axis by such a stroke.

If these two things could be bound up together, namely: The treaty in regard to north China, and the giving over to Japan of New Guinea, you might have then a key to a stable peace.

The objection which you raised, and it is a real one, namely: That the Netherlands and Australia might say that we were giving away territory belonging to somebody else, and on our part we are doing nothing. My reply was that the Netherlands and Australia should be willing to sacrifice something in order for a stable peace in that section. My further suggestion is this: Why could not the United States offer a money compensation to the Netherlands and Australia in giving over New Guinea to Japan? Suppose we offered fifty millions of dollars to each. This would be a wise expenditure of money, for two days of war would consume that much, and more.

I know that the prestiges of government must be considered; but it seems to me that the greatest prestige that any government can gain is the ability to settle a matter by generous attitudes which will meet the psychological factors involved. No nation ever lost prestige by generosity. I feel that a wise radicalism at this time will be true conservatism.

I need not tell you that I did not raise the question of New Guinea in my talk with the Japanese Ambassador.

With my best wishes for you in your very responsible position,

Yours very sincerely,

E. STANLEY JONES

740.0011 European War 1939/16427

The Ambassador in China (Gauss) to the Secretary of State

No. 171

CHUNGKING, October 8, 1941.

[Received November 6.]

SIR: I have the honor to transmit, as being of possible interest to the Department, a translation⁹⁸ of the leading article of October 4, 1941, in the influential local newspaper, the *Ta Kung Pao*.

Summary: Although China did not participate in the Moscow Conference,⁹⁹ she was present in spirit. The Conference could not have limited its discussions to Europe and must have considered general plans of war strategy and laid the plans for the world-wide campaigns of 1942. The situation on the two main anti-aggression fronts, Europe and the Pacific, has now been stabilized and in future the democracies must coordinate their efforts in order to assume the offensive. To this end diplomatic maneuvers, such as the American-Japanese conversations, must be abandoned, all illusions regarding the far-reaching unity and interdependence of Axis aggressive plans must be discarded and there must be a thorough-going apportionment of the manpower and resources of the democracies between the various fronts.

The article, appearing in a paper which is read by and generally reflects the views and opinions of most influential and well-informed Chinese, is notable for several reasons. It indirectly mirrors Chinese disappointment at China's not being asked to participate in any way in the Moscow consultations and reflects Chinese concern over the exploratory conversations between America and Japan. The talks are referred to as a "comedy", and the United States is urged to abandon such diplomatic "sleight of hand" and to give up its futile hope of conciliating Japan. Also it reflects a recent tendency of Chinese public opinion to regard Great Britain rather than the United States as the strongest supporter of China and the moving spirit behind the united front of the democracies. Thus, Great Britain is given credit for enlisting American support of Russia and special notice is taken of British assistance to China while American help is not mentioned.

The article is one of many indications that the goodwill and gratitude which the United States might expect from the Chinese as a result of American aid to China have been clouded and compromised by the misunderstanding in China of American motives in entering upon conversations with Japan and by a feeling that America considers aid to China secondary to help for Great Britain, and perhaps Russia, and is giving it not so much with a view to making possible a Chinese victory as to embarrass Japan and thereby strengthen the democracies' diplomatic and strategic position vis-à-vis that country.

Respectfully yours,

C. E. GAUSS

⁹⁸ Not printed.

⁹⁹ The Soviet Union, United Kingdom, and United States were represented; see Department of State *Bulletin*, November 8, 1941, p. 364.

711.94/2449

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] October 10, 1941.

MR. SECRETARY: At the Convention of the National Foreign Trade Council I gained among many impressions two which stand vividly in perspective:

(1) From the platform and on the floor I heard everywhere statements indicative of hearty approval of the Government's foreign policy in general and its commercial policy, with special reference to the trade agreements program, in particular.

(2) There was no indication of dissatisfaction with or criticism of the principles which we have applied and the procedures which we have adopted in the handling of relations with countries of the Far East. I realize that there is a tendency on the part of individuals to refrain from expressing dissatisfaction or criticism directly to officials known to be participating in deliberations which lead to decisions which have been and are in effect, on such occasions. But, I have had over a number of years many contacts with some of the persons who were present, and among these contacts there have been and are some individuals who have never hesitated to voice to me expressions of dissatisfaction or of criticism of which they were conscious. At the Convention under reference these persons not only voiced no criticism but in some cases went out of their way to assure me that on their part and among their contacts there is practically universal approval of the course which we have followed; and they especially emphasized that this was the case particularly as regards recent application of material (economic) pressures against Japan, as regards aid to China, and as regards refusal to compromise. The one note of criticism which I heard offered, by several people, was in the nature of a misgiving rather than of a condemnation: several people asked me questions about the "exploratory conversations" with the Japanese; I invariably replied that this was a subject which I preferred not to discuss beyond giving assurance that the conversations have been "exploratory"; and then these persons expressed some apprehension lest our Government might be tempted into the making of some concessions and followed this with expression of the hope that no concessions would be made. I made it a point to seek out persons whom I have known to be substantially concerned with and involved in trade with Japan. I expected to find some of them bemoaning, at least mildly, the adverse effects of our action upon their interests. I found nothing of the sort. I found instead a certain amount of mourning over the general facts of

the situation, affirmation of Japan's culpability, affirmation that the Japanese have gotten into a tight position up a tree for which they have no one to blame but themselves, and an expression of opinion that it is the Japanese rather than we who should worry about what Japan may do next. Several of these observers asked whether some "face-saving formula" could not be devised which would make it possible for Japanese to "climb down". When I inquired whether they had any suggestion of a formula to offer, each of them said "no". When I asked whether they thought Japan likely to follow any course of desperate violence, they, one after another, said in effect "not against the United States".

S[TANLEY] K. H[ORNBECK]

740.0011 European War 1939/16178

The Secretary of the Navy (Knox) to the Secretary of State

Serial No. 034913 (SC)A7-1

WASHINGTON, October 10, 1941.

SIR: Admiral Hart, Commander-in-Chief of the Asiatic Station, has informed the Navy Department of the following:

"According to United Press, Air Chief Marshal Brooke Popham, upon his return to Singapore stated that he had conferred with me during his visit to Manila. For the Department's information my talks with Brooke Popham here were limited to brief discussions of PBV planes. In my opinion the fanfare of publicity which accompanied the above visit and which the British always seek to give to our talks with them in this area is unwise. This opinion is based on the following beliefs: first insofar as our own and joint preparations for eventualities with Japan are concerned time is on our side and therefore for the present it is injudicious to provide Nipponese jingoists with ammunition for the aggravation of public opinion. Second the occasion of preliminary conversations which are but the first steps toward the achievement of a strong and efficient Anglo-Dutch-U. S. partnership against Japanese aggression is not the proper time for publicity. This is particularly true inasmuch as initial talks often prove entirely ineffectual."

I have informed Admiral Little, R. N., head of the British Admiralty Delegation, of Admiral Hart's views and that if he concurred, "that it would be appreciated if appropriate action might be taken to handle publicity concerning our joint conferences in the Far East in accordance with this belief."

In view of the possible effect of publicity concerning joint defense conferences on your negotiations with Japan, perhaps as a separate matter, without mentioning Admiral Hart, you may wish to invite

attention of the British Embassy to the desirability of keeping such publicity to a minimum.¹

Respectfully,

FRANK KNOX

894.20211/504

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*²

[WASHINGTON,] October 11, 1941.

MR. SECRETARY: You will no doubt have noted that considerable publicity was given by the press to the resolution submitted by Senator Gillette of Iowa and Senator Johnson of Colorado in the Senate on October 2 for creating a special Senate Committee of five members to make a complete investigation of subversive activities in this country by alien groups and by groups of American citizens of dual nationality, and that Senator Gillette's remarks on the floor of the Senate prefatory to submission of the resolution related to increased Japanese espionage and "Fifth Column" activities in this country. For your ready reference there are attached a few clippings dealing with the Senate resolution in question as well as a copy of the resolution itself and the issue of the *Congressional Record* containing Senator Gillette's remarks introducing the resolution.^{2a}

It will be noted that Senator Gillette stated in his remarks that he and Senator Johnson were offering the resolution after consultation with and with the approval of the Department of Justice, the Federal Bureau of Investigation, and the Army and Navy Intelligence Units.

This Division feels that a beneficial purpose would be served, both with respect to our relations with Japan and with respect to the preservation of our defense secrets, if you would informally bring the matter of the continued espionage activity of Japanese agents in this country to the attention of the Japanese Ambassador and request that he consider the advisability of initiating action to curb such activity.

¹ The Adviser on Political Relations (Hornbeck) on October 14 made the following comment on this letter:

"With the utmost respect for Admiral Hart's feeling and opinion, it does seem to me that the Admiral is in this case making too much of too little.

It is noted that Colonel Knox, in the last paragraph of this letter, speaks of the Secretary of State's 'negotiations' with Japan.

I doubt whether the Secretary need act on the suggestion conveyed in the concluding two lines of the letter. General and specific reference to the desirability of exercise of careful discretion in relation to the question of publicity is made from time to time by officers of the Department to British officials."

Replying on October 22 to Secretary Knox, the Secretary of State stated "that general and specific reference to the desirability of exercise of careful discretion in relation to the question of publicity is made from time to time to British officials by officers of this Department."

² Drafted by William R. Langdon, of the same Division, and concurred in by the Adviser on Political Relations (Hornbeck).

^{2a} See *Congressional Record*, vol. 87, pt. 7, pp. 7591-7592.

It is suggested that in the course of such a conversation with the Ambassador you may care to refer to the case of Lieutenant Commander Tatibana,³ of the Japanese Navy, against whom prosecution on the charge of conspiracy to violate our espionage laws was dropped and who was allowed to leave this country as a result of the personal intercession of the Ambassador and in view of the Ambassador's special interest in preserving and promoting friendly relations between Japan and the United States. You may also care to remind the Ambassador of the cases of two other officers of the Japanese Navy, Lieutenant Commander Okada and Engineer Lieutenant Yamada, associated with Lieutenant Commander Tatibana's espionage activity in this country, which cases also were settled quietly and expeditiously out of consideration of the Ambassador's solicitude for Japanese-American relations.⁴ Reminding him of these cases you may then wish to mention that, in reply to a recent inquiry of the Department of Justice as to the policy of the Department of State with respect to continued espionage activity in this country, this Department stated that where the evidence of the Department of Justice appears conclusive this Department will not interfere with the arrest and prosecution of individuals involved. At the same time, it might be well to draw the attention of the Ambassador to the agitation in the Senate and among the investigative agencies of this Government for positive measures to suppress reported Japanese espionage and so-called "Fifth Column" activity, and to the publicity which this agitation is receiving in the press, and impress upon the Ambassador in the interest of American-Japanese relations, the improvement of which you know the Ambassador has close to his heart, that the need of curbing espionage or other irregular activities of Japanese agents in this country is urgent.

M[AXWELL] M. H[AMILTON]

711.94/2361: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 14, 1941—8 p. m.

[Received October 14—12: 52 p. m.]

1623. For the Secretary and Under Secretary only. My 1604, October 10, 7 p. m.,⁵ paragraph numbered 3. I am constantly bearing in mind the fact that the conversations with the Japanese Government are taking place in Washington. However, I am now in the

³ Itaru Tachibana; see pp. 266-323, *passim*.

⁴ Compare memorandum by Mr. Joseph W. Ballantine, November 7, vol. v, p. 898.

⁵ Not printed, but see memorandum by the Ambassador in Japan, October 10, 1941, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 677.

position of having forwarded to you at the request of the Foreign Minister, a statement that calls for some reply. Making that request Admiral Toyoda explained that he was now approaching you through me in search of certain information which Ambassador Nomura had been unable to elicit from the Department.

As I calculate that the Department's 649, October 11, 3 p. m.⁶ was despatched after the receipt of my telegram under reference, I am in doubt whether you desired me to make reply to the Foreign Minister along the lines of the Department's telegram or whether I may expect to receive from you in due course a further telegram addressing itself specifically to the Foreign Minister's statement. Please instruct.

GREW

711.94/2364: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, October 14, 1941—10 p. m.

[Received October 14—5:20 p. m.]

1625. For the Secretary and the Under Secretary only. 1. Bishop Walsh left with us today a paper containing observations which were made to him, with the request that they be communicated to me, by a group of the Prime Minister's personal advisers, including Messrs. Ito (President of the Cabinet Information Board), Ushiba and Saionji (private secretaries). A paraphrase of the document follows.

(Begin paraphrase) The memorandum of October 2 of the Secretary of State⁷ caused grave disappointment to the Japanese side, including all its central figures. The Japanese now think that sincerity is entirely lacking on the American side with regard to either holding a meeting or otherwise reaching an understanding, and they feel therefore that any further suggestion from the Japanese Government would serve no useful purpose. Unless there is given by the American Government some counteracting indication, for example, by the suggestion of some formula for removing the divergencies between the American draft statement of June 21⁸ and the Japanese draft statement of September 27⁹ (the latter should be regarded as having superseded all previous Japanese drafts), or by the giving in the near future by the President of some clear assurance either publicly or privately of his preparedness to confer with the Prime Minister which assurance would cause the Japanese Government to feel warranted in continuing the current conversations and hastening their conclusion as much as possible, the continuation of the conversations will be impossible and furthermore the way may be opened to very unfortunate and serious deterioration of the situation in the Pacific. However,

⁶ Not printed; it reported conversations of October 9, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 670 and 672.

⁷ *Ibid.*, p. 656.

⁸ *Ibid.*, p. 486.

⁹ *Ibid.*, p. 652.

if a gesture of an encouraging character with regard to the proposed meeting were forthcoming such gesture would remove effectively the present suspicion now existing in official Japanese quarters of having been deceived and would reconcile all factions each with its diverse responsibilities, solidify their confidence in the Prime Minister and thus enable the latter to moderate measures not in line with the principles which he supports but dictated by recent practical necessities and stop the seesaw performance in the regions to the south. (End paraphrase)

2. The foregoing statement of the situation might, of course, be interpreted as merely a continuation of the diplomatic pressure that has been brought to bear on me for some time from Japanese sources with a view to hastening arrangements for the proposed meeting between the responsible heads of the two Governments. From my knowledge of the situation here, however, I believe that the statement sets forth an accurate presentation of existing facts.

3. Bishop Walsh is leaving by air tomorrow morning for Hong Kong and will expect to proceed to the United States by the next Clipper.

4. In this connection, I have informed Bishop Walsh of the substance of Saigon's 114 [113?], October 13, 11 a. m.,¹⁰ especially the final substantive paragraph thereof as an indication of what I conceive to be one important obstacle to the successful conclusion of the current conversations. This general thought, as I have already informed you, has also been conveyed by me to Admiral Toyoda.¹¹

GREW

711.94/2364 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, October 15, 1941—6 p. m.

665. For the Ambassador and the Counselor only. Reference your 1604, October 10, 7 p. m., Department's 649, October 11, 3 p. m., Department's 661, October 14, 10 p. m.,¹² your 1623, October 14, 8 p. m., and 1625, October 14, 10 p. m. You will have observed from the Department's telegrams under reference that both the Japanese Ambassador and Mr. Wakasugi have raised questions similar to that which the Minister for Foreign Affairs raised with you on October 10. The Secretary, Under Secretary and other officers of the Department have endeavored at some length to answer those questions. We feel that the Japanese Ambassador and the Japanese Embassy should now under-

¹⁰ Not printed.

¹¹ See memorandum by the Ambassador in Japan, October 10, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 677.

¹² None printed, but see memoranda of October 10, 9, and 13, *ibid.*, pp. 677, 670, 672, and 680, respectively.

stand clearly the views of this Government and we believe that they have no doubt fully reported those views to the Japanese Foreign Minister.

As you are, of course, aware, we have sought at great length to describe clearly in our informal and exploratory conversations with the Japanese the basic principles and policies which we believe should underlie the courses to be followed in pursuit of a broad-gauge program of peace in the Pacific area. In an endeavor to determine whether there exists a common basis for negotiations between our two Governments, we have devoted our efforts toward exploring with the Japanese our respective views in regard to relations between the United States and Japan and in regard to world problems and situations and toward discussing our respective concepts of certain fundamental principles. Believing that it would best serve the objectives in view, we have been glad to receive from the Japanese Government expressions of its own desires and intentions in regard to a program of peace in the Pacific, but we have consistently tried to avoid being placed in a position of possible criticism for having attempted to tell the Japanese Government what it must do or what it must not do. At the same time we have not wished to give the appearance of attempting to exert pressure on the Japanese Government by presenting in detail the specifications of commitments which we have desired that Japan give. It has been our aim rather to elicit from the Japanese Government a spontaneous expression of its intention, formulated in proposals for a program of a settlement which would manifestly be consistent with and supplementary to Japan's affirmations and declarations of policy.

We feel that the Japanese proposals of September 6¹³ and subsequent communications revealed differences between the concept of the Japanese Government and the concept of this Government in regard to the fundamental principles which underlie our discussions. In our October 2 statement¹⁴ we endeavored to point out clearly that we believed those principles to be of universal applicability while the Japanese Government seemed to envisage certain qualifications and exceptions to the actual application of those principles. We referred to qualifying phrases appended to assurances of Japan's peaceful intent toward other nations, the limitation to the southwest Pacific area of the formula in regard to economic policies, the introduction of vague suggestions of desiderata with respect to economic rights in China based on propinquity, the insistence upon stationing troops within the territory of another sovereign power, the lack of a clear-cut manifestation of intent to withdraw expeditionary forces sent abroad from Japan, and in general the impression we have received

¹³ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 608.

¹⁴ *Ibid.*, p. 656.

that Japan is considering a program in the Pacific area circumscribed by qualifications and exceptions in the practical application of liberal and progressive principles while this Government has in view a comprehensive program of uniform application of such principles to the entire Pacific area.

In our October 2 statement mention was made of the President's continued close and active interest in the proposed meeting with the Prime Minister and of the President's earnest hope that fundamental questions would be so developed as to make possible that meeting. The Secretary of State (Department's 632, October 2, 8 p. m.) has informed the Japanese Ambassador that we desire to proceed as rapidly as possible. The Under Secretary has assured Mr. Wakasugi (Department's 661, October 14, 10 p. m.¹⁵) of the sincerity of this Government in these conversations.

The Department authorizes you in your discretion to seek an interview with the Minister for Foreign Affairs and refer to the statement which the Minister for Foreign Affairs made to you on October 10 (your 1604, October 10, 7 p. m.¹⁶) and review the statements which have been made to the Ambassador and to members of the Japanese Embassy here by the Secretary, the Under Secretary and officers of the Department as reported to you. You may use in your statement any reference to our October 2 statement that you feel desirable and such material from this telegram as you feel would be helpful.

In response to a request made by Mr. Wakasugi on October 15, Mr. Welles has arranged to receive him and talk with him on October 16.¹⁷

HULL

894.00/1106: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 16, 1941—9 p. m.

[Received October 16—9:40 a. m.]

1643. It was officially announced at 8:15 this evening that the resignation of the entire Cabinet had been submitted to the Emperor at 5 o'clock this afternoon. The Emperor has requested the Cabinet to remain in office for the time being.¹⁸

GREW

¹⁵ Not printed, but see memorandum of October 13, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 680.

¹⁶ Not printed, but see memorandum by the Ambassador in Japan, October 10, 1941, *ibid.*, p. 677.

¹⁷ See memorandum by the Secretary of State, October 16 and 17, 1941, *ibid.*, p. 687.

¹⁸ In his telegram No. 1650, October 17, 5 p. m. (894.00/1107), the Ambassador in Japan informed the Department that General Hideki Tojo, Minister of War in the fallen Konoye Cabinet, had been commissioned to form a new government.

711.94/2388

*Memorandum by the Adviser on Political Relations (Hornbeck) to
the Secretary of State*

[WASHINGTON,] October 16, 1941.

MR. SECRETARY: The several problems which we are considering now in the field of relations with the situation in the Far East and especially our relations with Japan bring us right down to a question, as regards advisable action on our part, which must be answered largely on the basis of *opinion*. The question whether (a) an attitude and procedure of firmness or (b) an attitude and procedure of maximum avoidance of danger and risk will be the more efficacious is a question in final analysis of *opinion*. For each person, his opinion derives partly from knowledge (including experience) and partly from temperament. My opinion is that in relations in general with Japan and especially in relations in particular with Japan at this moment, a firm or even bold course on our part is and will be better strategy than would be a course giving any indication or implication of weakness or anxiety: I believe that the twofold objective of exercising a restraining influence upon Japan and avoiding war with Japan will be better served by indications of intention to exercise our reasonable rights than by indications of a disinclination and fear to run risks.

With regard to the matter of the ships, I feel strongly that we should for the moment (a) permit *some* of the ships to continue on their course and, for various reasons that have been stated orally, (b) slow down the westward passage of some of them while watching developments.

S[TANLEY] K. H[ORNBECK]

894.00/1135

*Memorandum by Mr. William R. Langdon, of the Division of Far
Eastern Affairs*

[WASHINGTON,] October 16, 1941.

The first news of the fall of the Konoye Cabinet links this event with the rejection by the controlling forces in Japan of Prince Konoye's conditions for adjustment of Japanese-American relations.

It is believed that the Cabinet crisis is related to the China question, that is, that the crisis has arisen from the unwillingness of the war party of Japan to agree to any sacrifices in China or other occupied territory. It is not believed that the crisis augurs any new dangerous move, specifically, an attack on Siberia, inasmuch as it is not believed that Japan has either the man power or the war equipment to fight

a large scale modern campaign in addition to the China campaign. If any new campaign is undertaken to key up the Japanese people, it is believed that such campaign will be directed toward some region where no serious resistance is anticipated, specifically Thailand.

894.00/1122

*The Acting Assistant Chief of Staff, Military Intelligence Division
(Miles), to the Chief of Staff (Marshall)*

[WASHINGTON,] October 16, 1941.

Subject: Fall of the Japanese Cabinet.

1. A United Press dispatch states that the three-months old Konoye Cabinet resigned on October 16th under nationalistic pressure for termination of Japanese-American peace negotiations.

2. This resignation was the logical result of Foreign Minister Toyoda's failure to secure a relaxation of the economic pressure on Japan by the U. S. Government.¹⁹

3. It is impossible to predict the next move on the part of Japan until the composition of the next cabinet is known. It is highly probable, however, that the trend will be toward the Axis, with the Army, rather than the Navy, exercising the controlling influence. This Army element will not be slow to take advantage of any weakening of the Siberian Army brought about by Russian reverses in Europe.

SHERMAN MILES
Brigadier General, U. S. Army

740.0011 P. W./10-1641

*President Roosevelt to the Secretary of State*²⁰

PROPOSED MESSAGE FROM THE PRESIDENT TO THE EMPEROR OF JAPAN

Only once and in person and on an emergency situation have I addressed Your Imperial Highness.²¹ I feel I should again address Your Royal Highness because of a deeper and more far-reaching emergency in the process of formation. As Your Imperial Majesty knows, conversations have been in progress between representatives of

¹⁹ Pencil marginal notation by the Adviser on Political Relations (Hornbeck) reads: "Plus many other things. S. K. H."

²⁰ Copy of a draft presumably sent by the White House to the Department on October 16, as a result of which two draft telegrams prepared by Mr. Hamilton on the same date were discarded. Original draft from the White House probably returned by the Department on October 16 with a redraft, printed *infra*.

²¹ See President Roosevelt's memorandum of December 13, 1937, read that date by the Secretary of State to the Japanese Ambassador, *Foreign Relations, Japan, 1931-1941*, vol. 1, p. 523.

our two governments for many months for the purpose of keeping armed conflict from any extension in the Pacific area. That has been our great purpose as I think it has been the real purpose of Your Imperial Majesty also.

I personally would have been happy even to travel thousands of miles to meet with your Prime Minister, if one or two basic accords could have been realized so that the success of such a conference would have been assured. I had hoped these accords could have been agreed upon with us by your Government. The first related to the future integrity of China and the second related to the assurance that neither Japan nor the United States would wage war to obtain control of any further territory in or adjacent to the Pacific area.

If reports are true that the Japanese Government is considering armed attacks against Russia or against France or Great Britain or the Dutch or independent territory in the South, the obvious result would, of necessity, be an extension of the Atlantic and European and Near East theatres of war to the whole of the Pacific area. Such an extension would necessarily involve American interests.

The United States opposes any conquest. It would like to see peace between Japan and China. It would like to see freedom of the seas and trade on a fair basis. If Japan could join with us to keep war out of the Pacific we would be only too happy to resume normal commercial relations, with the sole exception of certain articles which we must keep at home for our own defense and that of all of the Americas against possible aggression from the direction of Europe.

If on the other hand Japan were to start new wars north or south of her, the United States, in accordance with her policy of peace, would be very much concerned and would try to prevent any extension of such condition of war.

740.0011 P. W./10-1641

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] October 16, 1941.

MR. SECRETARY: Mr. Hamilton does not recommend taking the proposed action.²² Mr. Ballantine feels that it is premature to come to any decision on the matter. I feel strongly that this proposed message in the form in which it stands should not at this time be sent.

A redraft is submitted here attached. The important paragraphs are, of course, the last two. We all feel that great care should be

²² See *supra*.

exercised to avoid making any too broad commitment or any too emphatic threat. I myself feel that we should avoid anything that implies countenancing of the Japanese operations in China.

S[TANLEY] K. H[ORNBECK]

[Annex]

PROPOSED MESSAGE FROM THE PRESIDENT TO THE EMPEROR OF JAPAN ²³

Only once and in person and on an emergency situation have I addressed Your Imperial Majesty. I feel I should again address Your Imperial Majesty because of a deeper and more far-reaching emergency in the process of formation. As Your Imperial Majesty knows, conversations have been in progress between representatives of our two governments for many months for the purpose of keeping armed conflict from any extension in the Pacific area. That has been our great purpose as I think it has equally been the real purpose of Your Imperial Majesty.

I personally would have been happy even to travel thousands of miles to meet with your Prime Minister, if in advance one or two basic accords could have been realized so that the success of such a conference would have been assured. I hoped that these accords would be reached. The first related to the integrity of China and the second related to an assurance that neither Japan nor the United States would wage war in or adjacent to the Pacific area.

If persistent reports are true that the Japanese Government is considering armed attacks against Russia or against France or Great Britain or the Dutch or independent territory in the South, the obvious result would, of necessity, be an extension of the Atlantic and European and Near East theatres of war to the whole of the Pacific area. Such attacks would necessarily involve American interests.

The United States opposes any procedure of conquest. It would like to see peace between Japan and China. It would like to see freedom of the seas and trade conducted on a fair basis. If Japan could join with us to preserve peace in the Pacific we would be only too happy to resume normal commercial relations, with the sole exception of certain articles which we must keep at home for our own defense and that of all of the Americas against possible aggression from abroad.

If on the other hand Japan were to start new military operations, the United States, in accordance with her policy of peace, would be very seriously concerned.

²³ Notation on file copy: "Draft of a proposed message from the President to the Emperor of Japan—superseded by a later draft dated October 17, 1941. This draft was not used."

711.94/2387

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] October 17, 1941.

The British Ambassador called and handed me the attached copy of a memorandum of conversation between the Ambassador of Japan and himself yesterday.

The Ambassador said that he understood the difficulties of this country and Japan in finding ways and means of keeping up the appearance of not-too-strained relations between our two countries while the present government of Japan endeavors to improve public sentiment and opinion in support of the basic principles for which this Government stands and which envisage a peaceful settlement in the entire Pacific area. The Ambassador said he would communicate with his Government in order to see if it had any suggestions along this line, which would aid the Government of Japan to move in our direction on the fundamental issues involved.

C[ORDELL] H[ULL]

[Annex]

Memorandum by the British Ambassador (Halifax)

1. The Japanese Ambassador asked rather mysteriously this morning for an interview with me, and came to see me this afternoon.

He began by recalling a conversation that we had had when he had first arrived in Washington as to the desirability of maintaining peace in the Pacific. Since then, as I knew, he had for some time been talking with Mr. Hull, and from these talks three principal points of difficulty had emerged.

2. The first point concerned the Tri-Partite Pact. The Ambassador did not develop this in detail beyond saying that the United States Government wished for some more precise definition of the Japanese attitude than they had hitherto felt able to give, but he thought that the United States Government understood the Japanese position pretty well.

The second point concerned non-discrimination and equality of treatment in economic matters. These he thought could be adjusted.

The third point, which was the only one on which he anticipated serious difficulty, concerned the admission of a right for Japan, secured by agreement with China, to station troops for an agreed period, in North China and Inner Mongolia to control the Communist armies there.

3. So far no solution had emerged in his conversations with Mr. Hull on this third point.

The resignation of the Japanese Cabinet was due to internal differences between on the one hand the Prime Minister and those who wished to reach agreement with the United States by not insisting on the third point mentioned above, and on the other hand those who thought that not to insist on this point would involve too great a loss of face.

But the Ambassador did not anticipate any sudden change of policy. The Emperor was in favour of peace, and even if a general were made Prime Minister, it was unlikely that the Emperor's wishes would be disregarded.

The outburst of a Japanese Navy spokesman as reported in the United States press today was of no importance, and might be disregarded.

Everybody in the Japanese Cabinet wanted understanding with the United States, and the only difference was as to the price that should be paid for it.

4. Reverting to the Tri-Partite Pact, the Ambassador said that though we might disagree, the Japanese Government of the time had regarded adherence to it as the only policy that was possible for Japan to pursue, having regard to the evidence of what he called Anglo-Saxon co-operation against Japan.

Freezing and embargo measures were not likely to affect very seriously the ordinary Japanese consuming public, who were accustomed to low standards, but would create difficulty for Japanese business, which was pressing that some way out must be found.

5. I said that nobody wanted to strangle Japan, either here or in the British Commonwealth, provided Japanese policy was no longer such as to constitute a threat. Moreover, if he would allow me to say so, Japanese economic difficulties were of her own making, and certainly she would not get out of the difficulties largely created by one war by plunging into another.

Both the United States and Great Britain wanted to see peace preserved in the Pacific, and there was no reason why peace should not be maintained if the Japanese Government abandoned its expansionist policy, and were willing to recognise principles which both the United States and Great Britain wished to see maintained.

But do not let the Japanese Government make the mistake of backing the wrong horse. I could well understand that many people in Japan might be misled by the succession of apparent German victories, but let them remember that none of these victories had yet brought Germany within sight of the only victory that would win the war.

It might indeed well be argued that they had largely aggravated Germany's difficulties, and that the strain that they would impose would end by becoming intolerable.

The Ambassador said that many in Japan agreed with this view, and that he himself was of opinion that one victory or two victories were not the same thing as a war.

Returning to his main point, he asked me whether I thought that it would be possible to find any *modus vivendi* in the Pacific that might be of value in giving time for the atmosphere to calm, and make easier the solution of the third point to which he had referred at the outset of our conversation, which he thought it would be extremely difficult for any new Government to solve quickly.

He knew how close the relations of the British Government and the United States Government were, and hoped that I would take an opportunity of speaking with Mr. Hull about it. This I said I would certainly do.

6. At one point in our talk the Ambassador remarked that some Americans spoke of finishing off the Japanese Navy in a few days. But the Japanese Navy was well trained, and, as I knew, never surrendered, and he thought it could be relied upon to give a good account of itself.

I disclaimed any desire to appraise the relative merits of Navies, and told him that British policy had been repeatedly defined. I could define it for him again by repeating that we were anxious to find the way to friendly relations with Japan, but we could not hope to resume those friendly relations so long as Japanese policy retained the direction it had recently followed.

I asked him whether Mr. Shigemitsu might be expected shortly to return to London. As to this, he was without information, but he knew that Mr. Shigemitsu was in frequent conference at the Japanese Foreign Office.

I also asked him whether he had any opinion as to what might be General Chiang Kai Shek's view of his third point as to temporary occupation by Japanese troops of an area in North China by agreement with the Chinese Government.

He said he had not, but he had an impression that though the Chinese army were not now very keen on fighting, Chinese diplomacy was extremely shrewd, and vastly better than that of Japan.

7. The whole conversation was very friendly, and left on my mind the clear impression that the Japanese Government, or certainly that part of it for which Admiral Nomura can be held to speak, felt their position to be one of extreme difficulty.

[WASHINGTON,] 16 October, 1941.

894.00/1141

*Memorandum by Mr. William R. Langdon, of the Division of Far Eastern Affairs*²⁶

[WASHINGTON,] October 17, 1941.

Lieutenant General Eiki Tojo²⁷ is not quite 57 years old, and has been War Minister since July 1940 (second Konoye Cabinet). Most of his military career has been spent in military educational, staff, and administrative work and he spent a term (1919) in Germany as resident officer. He was *gendarmerie* commander of the Kwantung Army from 1935 to 1937 and chief of staff of the Kwantung Army in 1937-1938. From 1938 to his appointment as War Minister he was director of the military aviation department of the Army.

In Manchuria General Tojo had the reputation of being a taciturn, clear-thinking, quick-deciding executive, with ideas leaning toward the conservative, sound side. He has the confidence of his fellow generals as a middle-of-the-road man. In Tokyo last spring he was understood by the Embassy to be thoroughly in sympathy with Prince Konoye's policy of placing relations with the United States on a normal footing, and I understand was in the confidence of the Prince in the matter of the initial measures taken to sound out the United States' attitude toward normalization of relations with the United States. It is believed that his designation as Premier signifies a continuation of Prince Konoye's policies including continuation of conversations with the United States.

894.00/1134

*The Acting Assistant Chief of Staff, Military Intelligence Division (Miles), to the Chief of Staff (Marshall)*²⁸

[WASHINGTON,] October 17, 1941.

Subject: Japan's New Premier.

1. The United Press reports that Lieutenant General Hideki Tojo, War Minister in the late Konoye Cabinet, has been designated Premier and ordered to form a new Cabinet.

2. General Tojo was born in 1884, the son of a Samurai. He has held several high offices in the Army, notably that of Chief of Staff of the

²⁶ Noted by the Secretary of State.

²⁷ Designated successor to Prince Konoye as Prime Minister.

²⁸ Copy transmitted to the Department of State by the War Department, October 17. In forwarding this for attention of the Secretary of State and the Under Secretary, the Chief of the Division of Far Eastern Affairs (Hamilton) made the notation: "An estimate of General Tojo which differs from the FE estimate."

Kwantung Army, Vice Minister of War and Inspector General of Aviation.

3. He has been called the father of modern Japanese Army strategy and is known to be anti-foreign, with a particular dislike for the Russians, and an open admiration for German methods. He created a sensation in 1938 when, as Vice Minister of War, he predicted that Japan would have to fight Russia as well as China. He also warned that America would have to be watched. When the Axis Alliance was signed in September 1940 he said that the road Japan would follow had been "definitely decided" and there was no turning back. General Tojo is regarded by his associates as a man of unshakable determination. He cites reverence and filial piety as the two most important attributes of a Japanese soldier. He has little patience for arguments or other people's views.

4. Any cabinet selected by General Tojo may be expected to have Axis leanings, but will be otherwise anti-foreign and highly nationalistic.

SHERMAN MILES,
Brigadier General, U. S. Army

711.94/2376

*The Secretary of State to President Roosevelt*³⁰

WASHINGTON, October 17, 1941.

There is attached a redraft of your proposed message to the Emperor of Japan.

In view of (a) the attitude shown by the Japanese Minister here in a two-hour conversation last evening with Mr. Welles and myself,³¹ indicating that the Japanese Government desires to continue its exploratory conversations with us, coupled with the fact that the Japanese Minister is, at his request, coming to call again this afternoon for a further extended discussion, (b) the message received by Ambassador Grew from Prince Konoye (through Prince Konoye's private secretary) (reported in Mr. Grew's telegram 1646, October 17, 11 a. m.³²) that the new Japanese cabinet would be one sincerely desirous of improving relations with the United States and of continuing the exploratory conversations, and (c) the word we have that General Tojo, a Konoye adherent and a "moderate", has been designated by

³⁰ Drafted by the Chief of the Division of Far Eastern Affairs (Hamilton) and approved by the Adviser on Political Relations (Hornbeck).

³¹ See memorandum by the Secretary of State, October 16 and 17, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 687.

³² Not printed, but see memorandum by the Counselor of Embassy in Japan, October 17, 1941, *ibid.*, p. 689.

the Emperor to form a new cabinet, we incline to the view that it would be premature to send the proposed message to the Emperor pending further clarification of the situation in Japan and of the probable attitude of the new government.

[Annex]

*Redraft by the Department of State of "Proposed Message From the President to the Emperor of Japan"*³³

Only once and in person and on an emergency situation have I addressed Your Imperial Majesty on matters of state. I feel I should again address Your Majesty because of a deeper and more far-reaching emergency which appears to be in the process of formation. As Your Majesty knows, conversations have been in progress between representatives of our two Governments for many months for the purpose of preventing any extension of armed conflict in the Pacific area. That has been our great purpose as I think it has equally been the great purpose of Your Majesty.

I personally would have been happy even to travel thousands of miles to meet with your Prime Minister, if in advance one or two basic accords could have been realized so that the success of such a conference would have been assured. I hoped that these accords would be reached. The first related to the integrity of China and the second related to an assurance that neither Japan nor the United States would wage war in or adjacent to the Pacific area.

If persistent reports are true that the Japanese Government is considering armed attacks against the Soviet Union or against British or Dutch or independent territory in the south, the obvious result would, of necessity, be an extension of the Atlantic and European and Near Eastern theaters of war to the whole of the Pacific area. Such attacks would necessarily involve American interests.

The United States opposes any procedure of conquest. It would like to see peace between Japan and China. It would like to see freedom of the seas maintained and trade conducted on a fair basis. If Japan could join with us to preserve peace in the Pacific we would be only too happy to resume normal commercial relations, with the sole exception of certain articles which we must keep at home for our own defense and that of all of the Americas against possible aggression from abroad.

If on the other hand Japan were to start new military operations, the United States, in accordance with her policy of peace, would be very

³³ Notation on file copy: "The proposed message was not sent and no further action was taken."

seriously concerned and would have to seek, by taking any and all steps which it might deem necessary, to prevent any extension of such condition of war.

711.94/2377a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, October 17, 1941—10 p. m.

674. For the Ambassador and the Counselor only. Mr. Wakasugi talked on October 16 with the Secretary and the Under Secretary but no new points were developed. Mr. Wakasugi is to call again on the Secretary and the Under Secretary on October 17.³⁵

HULL

894.00/1111 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 18, 1941—4 p. m.

[Received October 18—5 : 36 a. m.]

1652. The composition of the Tojo Cabinet was announced this afternoon as follows :

Prime, War and Home Ministers : Lieutenant General Hideki Tojo ; Foreign and Overseas, Shigenori Togo ; Finance, Okinori Kaya ; Navy, Admiral Shigetaro Shimada ; Justice, Michiyo Iwamura ; Education, Kunihiko Hashida ; Agriculture, Hiroya Ino ; Commerce and Industry, Shinsuke Kishi ; Communications and Railways, retired Vice Admiral Ken Terashima ; Welfare, Surgeon General Chikahiko Koizumi ; Without Portfolio, Lieutenant General Teiichi Suzuki.

GREW

894.002/502

*Memorandum by the Chief of the Division of Far Eastern Affairs (Hamilton)*³⁶

[WASHINGTON,] October 18, 1941.

AN ESTIMATE OF THE TOJO CABINET

The recently formed Japanese cabinet under the premiership of General Tojo appears to be a strong cabinet, predominantly military in character and with a large representation from among military leaders who have been directly involved in Japan's program of aggression on the continent. It is believed that the new cabinet will emphasize in its policies military preparations, further mobilization of

³⁵ See memorandum by the Secretary of State, October 16 and 17, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 687.

³⁶ Noted by the Secretary of State.

the national strength, and deployment of military forces and equipment on the perimeter of Japan's defense areas.

Politically, the most important problem facing the new cabinet remains the settlement of the "China incident" and relations between Japan and the continent. Economically, the most important problem remains the securing of basic commodities, in particular oil and ferrous metals, and the breaking of the economic and commercial measures in restraint of Japan by the ABCD powers. Militarily, the most important problem remains the threat of hostilities with the ABCD powers, plus the grave danger of military cooperation between the United States and Soviet Russia against Japan.

It is not believed that the new cabinet will reject a negotiated solution of Japan's international relations, but at the same time will take every measure possible to insure that, if such negotiated solutions are not forthcoming or are not successful, the opportunity for a solution by force will not be lost through lack of preparation or deployment of forces. It is probable that the Japanese Government will seek to recover an "autonomous" position in order to be able to take advantage of events or offers in negotiations.

The new Foreign Minister, Mr. Togo, is a career diplomat who has served as Ambassador both to Germany and the Soviet Union. His wife is German. It is reported that he has had unfriendly relations with former Foreign Minister Matsuoka but that he has maintained cordial relations with other Japanese who have favored cooperation between Japan and Germany. Mr. Togo, prior to his assignment as Ambassador at Moscow, was characterized as anti-foreign and particularly anti-American. However, his relations with Ambassador Steinhardt and the staff of the American Embassy at Moscow while he served as Japanese Ambassador there were marked by special cordiality. Mr. Togo's reputation is that of an experienced, patient and capable negotiator. His appointment does not rule out hostilities between Japan and Russia and/or the United States, but at the same time it would appear to indicate that the Japanese Government may have in mind continued efforts towards a negotiated settlement with the United States and with Russia.

M[AXWELL] M. H[AMILTON]

711.94/2406†

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] October 18, 1941.

MR. SECRETARY: We have given special thought to the question whether there are steps which this country might take in relations with

Japan which, while preserving the integrity of this country's principles, would indicate that relations between the United States and Japan are being maintained. We now offer for consideration various suggestions, as follows:

1. We might offer to charter Japanese merchant ships. We might give Japan in exchange cotton and commodities of non-military use, such as tobacco, medicines, pharmaceutical supplies, foodstuffs, wheat, flour, fertilizers, et cetera; also make payments on Japanese bonds in the United States.

2. We might offer to furnish Japan steel to build ships for the United States, furnishing the steel on a graduated scale as ships are completed and delivered. An alternative of this would be to give Japan steel in exchange for Japanese ships, or a combination of these two possibilities.

3. We might examine the possibility of setting Japanese factories to work for our needs.

4. We might examine the possibility of effecting barter arrangements in incidental, non-military commodities, involving on the American side commodities such as cotton, tobacco, medicines, pharmaceutical supplies, foodstuffs, wheat, flour, fertilizers, et cetera, and on the Japanese side commodities such as tea, lacquer ware, pyrethrum flowers, et cetera.

5. The Counselor of our Embassy at Tokyo might be accorded the rank of Minister. This might serve as an indication to Japan that the United States regarded its relations with Japan as of unusual importance.

6. The instructions issued by the Navy Department to American naval vessels in the Pacific should be revised or interpreted so as to permit immediate resumption of the calling of American ships at Far Eastern ports now on their schedules.

7. Some prominent Americans, such as Mr. Thomas Lamont, Mr. Bernard Baruch, or Senator Thomas, might go to Japan on a special visit.

8. We might try to arrange for the sending of a professional baseball team to Japan.

M[AXWELL] M. H[AMILTON]

740.0011 P. W./570 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 18, 1941—4 p. m.
[Received October 18—3 : 45 p. m.]

4979. For the Secretary and Under Secretary. A high official of the Foreign Office today handed an Embassy official the following memorandum of a plan for quick communication in the event of an

emergency in the Far East, the need of which was realized following the staff talks at Singapore. He expressed the hope that we would place a corresponding plan into effect without delay:

"1. In the present situation in the Far East a threat from Japan might easily develop with very little warning and it is not possible to determine in advance what type of action by Japan would necessarily call for military counteraction. The British authorities concerned have accordingly been studying the problem of reducing to a minimum the delay which might be caused in such an eventuality by the necessity of intergovernmental consultation. A further problem has been to ensure that all British authorities concerned are simultaneously and immediately warned when a dangerous situation arises.

2. The procedure which has been devised is outlined below. It is intended to be brought into immediate effect should any one of the authorities concerned receive information indicating that Japan is about to take or has taken action which in his view may necessitate immediate military countermeasures. The authorities in question are the four Commanders in Chief, i. e., Far East, China, East Indies and India; the Governors of Burma, Hong Kong, and Fiji; His Majesty's representatives at Tokyo, Chungking, Shanghai, Bangkok, and Washington.

3. In the eventuality contemplated, any such authority would at once telegraph, by the quickest possible method, a code word of warning to London. He would follow this preliminary warning by a second telegram reporting the facts on which he considered it necessary to base his warning.

4. Any telegram sent under the above procedure would be repeated by the sender to all the authorities enumerated in paragraph 2 above and also to the Governments of Canada, New Zealand, the Commonwealth of Australia, and the Union of South Africa.

5. Special arrangements have been made in London for any telegram sent under this system to be immediately dealt with by the highest political and military authorities.

6. His Majesty's Governments in the Dominions are being invited to introduce analogous arrangements.

7. On the receipt in London of telegrams of the nature contemplated in paragraph 3 above, the Foreign Office will notify both the United States Ambassador and the Netherlands Government by the speediest possible means.

8. It is hoped that the United States and Netherland authorities will be willing to consider the introduction of corresponding arrangements whereby any information of threatening action by Japan which the United States or Netherland authorities in the Far East may receive may be immediately communicated not only to London but also on a basis of reciprocity to the British Commander in Chief Far East through the most appropriate channel.

9. It is emphasized that the procedure proposed is merely one of urgent reporting. A decision as to action must, of course, lie with the Governments concerned."

WINANT

740.0011 European War 1939/16775

*The President of the Philippine Commonwealth (Quezon) to
President Roosevelt*³⁸

MANILA, October 18, 1941.

MY DEAR MR. PRESIDENT: Today's press reports seem to point strongly to the possibility of actual involvement of the United States in the war on account of the torpedoing of the destroyer *Kearny*. On the other hand, the course of recent events in Japan is far from encouraging to those who would hope that there may not be armed conflict between the United States and Japan. Should this unfortunate situation arise, it is but natural to expect that the Philippines will be the scene of such a conflict. I am, therefore, hastening to reiterate to you what on former occasions I have asserted, namely, that our government and people are absolutely and wholeheartedly for you and your policies, and that we are casting our lot with America no matter what sacrifices such determination may entail.

Mr. President, since at a time such as this it is of the utmost importance that the Government of the Philippines should have complete understanding and cooperation with the military and naval authorities of the United States, I believe you will be pleased to know that General MacArthur³⁹ and I are in perfect accord, and that the government and people of the Philippines are placing at his disposal everything that he needs to accomplish the great task of defending the Philippines. I could almost say as much regarding my relations with Admiral Hart, although, owing to the nature of the Navy's work, our connections are not so close and our contacts so frequent as those I have with General MacArthur.

Mr. President, it is, of course, a dreadful thing to contemplate the horrors of war, but there is this consideration in which I almost find cause for rejoicing that such an awful situation should arise before the severance of the political ties now existing between the United States and the Philippines; and that is, because the Filipino people are thereby afforded the opportunity to prove in supreme efforts and sacrifices not only our deep appreciation of the great things which America has contributed in the upbuilding of this new nation of ours, but also the fact that the democratic ideals of the United States have become our sacred heritage, and that to preserve such a precious gift we are willing to pay the price in blood and treasure.

With assurances [etc.]

MANUEL L. QUEZON

³⁸ Copy transmitted to the Secretary of State by President Roosevelt on November 6.

³⁹ Gen. Douglas MacArthur, Commander of U. S. Army Forces in the Far East since July 26.

711.94/2540½

*Memorandum by Bishop James E. Walsh, Superior General of the Catholic Foreign Mission Society of America*⁴⁰

1. *Story.*

The October 2nd reply from Washington⁴¹ shook the confidence of the entire Japanese Government.

With some difficulty the protagonists of peace in the Japanese Government (Prince Konoye, General Muto and their associates) had held Cabinet, Army, Navy and all the other elements in line, or at least in quiescence, pending the conclusion of the negotiations. All through these negotiations many have naturally been restive, anxious and suspicious, afraid the Government was being duped and deceived, fearful that it would end up with nothing to show for its efforts but time and strategic opportunity lost—and this was particularly true of the younger and more pushing elements in the Army. The Nazi agents did much to encourage this point of view and the Nazified officials in the Army and Foreign Office contributed their share also. However, the older heads and actual leaders of the Army continued to repose confidence in the peace party under the leadership of Prince Konoye, while reminding him that this confidence was growing thin and must soon evaporate completely unless some substantial results were speedily forthcoming.

The Japanese army is very much imbued with the theory that it is directly responsible to the Emperor and the country for the national defense and any other necessary military implementation of vital national policy, and for this reason its leaders exert great influence on the government when measures are mooted or adopted which seem in their view to render the discharge of this responsibility difficult or impossible.

One reason why the army has remained docile in the present instance is because the nature of the proposed agreement is such as to render their task, not difficult, but easy. They have not feared the success of the plan, but its failure. They have not looked upon it as a check to their aggression (of which they have presumably had enough), but they have feared the danger of deception which would result in bequeathing to them a difficult military job to be performed at a disadvantage.

Many, both in the civil government and the army, now think that the deception goes back to the beginning, that is to say, that the American Government wanted only to draw them out in order to gain time, and to get a statement of their policy in order to condemn it.

⁴⁰ Notation on file copy: "Document left with the Secretary of State by Bishop Walsh on November 15, 1941."

⁴¹ Oral statement, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 656.

All without exception were mystified and chagrined when the October 2nd reply harked back to a discussion of general principles. The Japanese officials believed that they had already agreed on the general principles applicable to the situation. Subsequently they were told that they must in addition define specific details. With reluctance, at the risk of compromising the whole negotiations, and not without grave danger to their own lives, they forwarded their September 22nd statement⁴² which embodied all the precision on details that they dared entrust to the cables. Washington's response to this was a return to principles. They liked the courteous and kindly tone of the Washington message (October 2nd) and they understood its thesis about the desire to agree on principles that would not be weakened by exceptions, but they found this chill comfort. The practical effect of the message was enormously discouraging. It put them back at the starting point, facing them with the prospect of reopening the entire discussion *ab initio*. At such a late day this looked like an indication that Washington was merely fencing and had no intention of concluding any agreement at all. After the receipt of this message it was very difficult to make any one in the Japanese Government believe in the sincerity of the American Government, although I was later advised that the leaders of the Cabinet would continue to repose confidence in the sincerity of the President and Mr. Hull, in spite of all appearances, as long as the door was not actually closed to the possibility of reaching an agreement.

At this juncture I took the liberty, at the suggestion of Prince Konoye's advisers and with the approval of our own Embassy, to ask that my observations on this critical situation be forwarded to Washington.⁴³ It was universally felt that unless some substantial sign of serious intention on the part of the American Government should promptly materialize, the existing Japanese Government would not be able to hold the position any longer.

The next day I was asked by Prince Konoye's advisers if I would go to Washington and explain the present situation of the Japanese Government together with their desires and hopes and fears in regard to the proposed agreement. This I was at first reluctant to do. After some urging I finally consulted the Embassy, where the proposal met with the immediate approval of Mr. Grew and Mr. Dooman. That same evening (October 14th) I visited Prince Konoye at his residence and received from him a personal *viva voce* message to be conveyed to President Roosevelt. The next morning I left Tokyo for Washington.

⁴² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 633.

⁴³ See telegram No. 1625, October 14, 10 p. m., from the Ambassador in Japan, p. 508.

Two days later the Japanese Cabinet was changed. This surprised nobody in Japan. I have since been advised that this shift of personnel does not appreciably alter the attitude of the Japanese Government towards the negotiations. I believe this view is the correct one. After the Cabinet change, I received the following telegram from Mr. Paul Ikawa,⁴⁴ a close personal friend of Prince Konoye who has been employed by him as a confidential agent throughout these negotiations: "Bon voyage with flowers (code word meaning with the concurrence of General Muto) no substantial change urgently require speedy response to avoid worst." I take this to mean that the new Cabinet is maintaining the same essential position in regard to the negotiations and is deferring any other incompatible plans it may have in the hope of yet obtaining an agreement that will establish peace.

It is known that the new Cabinet was formed by Count Arima and Marquis Kido, like many of its predecessors. These two men are supposed to be the two most powerful figures in Japan, barring nobody, and they have been the sponsors of the peace overtures from the beginning. The retention of General Suzuki as head of the Planning Board in the new Cabinet is also significant, as he has been Prince Konoye's most trusted adviser and general right hand man throughout all the peace negotiations. General Tojo, the new Prime Minister, has long borne the reputation of being a conservative, with little if any tinge of the firebrand.

If I were asked to interpret the meaning of the Cabinet change, I would surmise that it means a shift in attitude rather than a change in policy. It is a signal that some definite move is imminent, but that its direction will depend on the circumstances that the immediate future will reveal. It seems to say: We still want peace, but if we are to have it, it must come without further delay. We cannot wait any longer. Therefore we are putting our house in order to move in the other direction, if necessary. Much as we want peace, we must have a prompt and definite decision. Please speak, and speak quickly.

2. *Message.*

On the evening of October 14th, Prince Konoye invited me to the Prime Minister's residence in Tokyo and gave me the following verbal message for President Roosevelt.

1. From the beginning of these negotiations I and my Government have had nothing but a sincere and wholehearted desire to conclude an agreement that would result in the peace of the Pacific and we have worked very hard to bring this about.

2. I regret very much the delays and misunderstandings, some of them due, I believe, to the maneuvers of Third Powers, that have op-

⁴⁴ Tadao Wikawa.

erated to retard the negotiations and render difficult the attainment of their important aim.

3. I still entertain hope of a successful issue, and I will continue to work for the attainment of the object sought, namely, an agreement that will establish friendly relations between our two countries, restrict the scope of the war, pacify and stabilize the Pacific region, and contribute to world peace. And now that the terms have been discussed as completely as is practicable under present conditions, it is my confident belief that a meeting between the heads of the respective governments would readily bring about a completely satisfactory understanding that would insure the great objectives we mutually seek.

I do not quote the Prince verbatim, as I did not take down his exact words at the time they were uttered. I fixed them in my memory, however, and jotted them down almost immediately after the interview. I am satisfied that I have reproduced here the exact sense of his message and even to a large extent, his very words.

3. *Attitude.*

Apart from relaying the message of Prince Konoye, my only commission was to explain the present attitude of the Japanese Government towards the negotiations. I have tried to throw some light on it in these and the pages that follow. However, I can sum it up here for all practical purposes in very short compass. It is that the Japanese Government will not take the responsibility for rupturing the negotiations by sending an ultimatum, but that they believe they have discussed terms to the extent and for the time reasonably possible, that they think they have agreed on the essentials that amply justify a meeting, that they are hurt at the distrust implied in declining a meeting, that they still ardently desire a meeting, and that they can wait no longer for a meeting, but failing its prompt materialization will conclude that they have been hoodwinked, and will proceed almost immediately with the military and naval plans that constitute their only alternative to a meeting.

The nature of these alternative plans I do not know. Nothing was communicated to me in that connection. I think I cannot complete a description of the present attitude of the Japanese Government, however, without reporting that its representatives plainly expect that these plans would lead Japan into a war, eventual or immediate, with the United States.

Does this mean that if a meeting is not promptly arranged, on the basis of the terms already agreed upon and without further specification as to detail, the Japanese Government will abandon the negotiations at once and proceed with other plans?

Substantially that is what I was given to understand, but with one important reservation. The reservation is that the Japanese Govern-

ment will be glad to consider once more—and once more only—any set of terms or conditions the American Government may declare essential prerequisites to an agreement and/or a meeting, *provided they are specific, complete, final, and prompt.*

4. *Summary.*

I report therefore three things: (1) That the October 2nd message reduced the Japanese Government to desperation, (2) the plea for a belief in the sincerity of the Japanese Government contained in the message of Prince Konoye, and (3) the fact that the Japanese Government can negotiate no longer, but must now have either a decision as to an agreement and/or a meeting, or at least a set of concrete and final terms on which it can itself exercise a decision.

If this is thought to be an insubstantial piece of information to bring across the Pacific Ocean, I can only say that I thought the same myself, and that I would not have troubled to bring it except for the urging of Prince Konoye and his associates coupled with the approval of the American Embassy.

ADDITIONAL NOTES

1. *Sincerity.*

The Japanese were not unaware that their failure to be specific in certain details would leave them open to a charge of insincerity. But they were faced with what amounts to a physical impossibility in communicating further details and for these reasons: (1) domestic pressure and the excitations caused by premature airing of the negotiations, and (2) international leakage. Whatever our Embassy may think about the inviolability of its own code, the Japanese are entirely convinced that every message going out from any source, either by radio or cable, is immediately seized, decoded and thoroughly understood by the agents of all the other Powers that are in any way interested. This is the reason they feel that they can not themselves transmit a message through their own Foreign Office, or entrust a message to our Embassy for transmission, unless they are prepared to have it known by the agents of every other interested Government in the world.

An assassin's bullet missed Prince Konoye by eighteen inches during the first week of October. The pressure on these men and the general difficulty of their position are important factors in accounting for their hesitation in discussing certain specific details.

With the exception of the obstruction caused by Mr. Matsuoka, the hesitations and mistakes of the Foreign Office are not indications of insincerity, but illustrations of the ingrained bureaucracy that characterizes all the departments of the Japanese Government without exception. One of the mysteries of Japan is the amazing independence

of its separate departments, coupled with the equally amazing solidarity of them all in carrying out any well-established national policy. I think the true explanation is not insincerity but human nature. Each department is jealous of its own prerogatives, wants to do everything its own way, wants to have all the credit for anything that is done. Thus until a policy has become nationally established, the departments very largely go their own gait after the manner of departments everywhere.

The Japanese Cabinet admits that the move to Indo China was under pressure from the Army. The Army leaders feared that they were being let down in the negotiations and might be handed an up hill job after the negotiations had failed. They watched a lot of counter moves, thought they ought to make one themselves. Meanwhile, however, the Japanese Government has sent some picked army men to Indo China with instructions to put the brake on any extreme measures, and chief among the men with this mission is Colonel Iwakuro, who took part in the negotiations in Washington this summer and is still an ardent supporter of the peace plan. In addition, the Japanese Government insists that it has not violated a single item of the agreement reached with the French Government and, in fact, that it has not yet carried out many of the measures to which it is entitled under that agreement. In this connection a member of the Cabinet states that General [*Admiral*] Decoux has given false and exaggerated reports to certain American Consuls in Indo China with the obvious intent of instigating a war between America and Japan in the hope that such an eventuality might result in the return of the territory to France.

2. *Ability.*

Japan is not a country of homogeneous political ideas. It is a politically young country, combining elements that lean toward the most advanced ideas on the one hand and to the most retroactive on the other, and including every shade of political theory between the two. There are solid elements strongly imbued with democratic and liberal ideals, and there are other elements, less entrenched, less numerous, but pushing and aggressive, who are deeply tinged with the most radical nationalism and totalitarianism. The Japanese are not like our people in subscribing only to a few tried and traditional political theories between which they oscillate slightly from time to time, but their minds are still open to all varieties of political thought, not excepting the wildest or most radical extreme, if it promises to benefit their country. They have no political philosophy. In this situation the actual policies of the Japanese Government are largely dictated by outside events which put one group or another in power for the moment according to the turn of the wheel. The present moment

is the great chance for the liberals (Prince Konoye, the Peace Party, etc.). The German attack on Russia shook them all very seriously, radicals included. The radicals now hesitate and would welcome a safe way out of the Matsuoka situation, if it could be found. All realize that they must be in one camp or the other. The desire to get over into the democratic camp would be general if it could be thought possible without the loss of any essential national interest. However, if the Government fails to bring about this change and do it quickly, all together will abandon the attempt and yield themselves to the stream. If the liberal party that is pursuing peace, and is still held together by the most tenuous thread, should fail, it is certain that the Government will be given over to radical extremists of the worst type, and that all the national energy will then be harnessed for a wild and immediate plunge in the other direction.

Prince Konoye could not even have started the peace conversations without the approval of all the other strong elements in Japan, and this is the best indication that the Government that made peace would have their concurrence in case of success.

Prince Konoye was not a strong man in a weak position. He was a somewhat weak man in a very strong position. His character is mild and gentle and he lacks the aggressiveness to push people and things in any drastic degree. But after the Emperor he possesses the confidence of all elements in Japan, more than any other man. This is partly due to his position as leader of the Fujiwara family (royal blood), partly to his known disinterestedness and integrity, and partly to his success in coordinating and reconciling the forces of the nation.

The personal interest of the Emperor and his actual participation in detailed discussions regarding these peace negotiations are phenomena that have not occurred in the history of any similar negotiations during his life time.

3. *Steps.*

The ability of any Japanese Government to carry out the terms of an agreement after it is made is such a basic question that it may be helpful to envisage the actual steps by which it would be done.

If a meeting should be brought about everybody in Japan will at once understand that the Prime Minister could only take part in it under the sanction of the Emperor, as indeed would be publicly announced. Once that is known, all the recalcitrant parties are put at an extreme disadvantage. When the Emperor gives an Imperial Rescript sanctioning any move or policy, it involves two things in the minds of all Japanese: (1) the knowledge that the Emperor would not do it at all unless his action had first secured the adherence of all the strong elements in the country, and (2) the actual sanction itself is taken to be the final seal that makes it the irrevocable policy of the

nation.⁴⁵ Any dissenters who revolt against such a *fait accompli* know that they have these two strikes on them in advance; (1) that they are officially and *ipso facto* traitors, and (2) that they will find all the strong elements of the Government and the country lined up solidly against them. In this situation rash acts on the part of a few firebrands, assassinations and so forth are possible, but no concerted rebellion on the part of recalcitrant elements, in the army or anywhere else, would be at all likely to succeed.

The same is a fortiori true of the implementation of any agreement that would result from the meeting. It would be given to the people sanctioned by the Imperial Rescript of the Emperor, and as such it would be established and entrenched as the sacrosanct national policy before any counter action was possible.

4. *Future.*

Friendship is the key to everything in the Orient. It makes everything possible and without it nothing is possible. It is doubtful if the legalistic and logical approach could ever result in a good agreement with an oriental nation, and it is highly probable that such an agreement, even if made, would not be carried out. Oriental minds, Japanese and Chinese alike, want to feel that they possess friendship, that they are understood, that they are in some definite camp, that they have some standby upon which they can rely in working out their national life. While they instinctively need this bulwark of friendship, they also instinctively respond to it, and once it is established they can be got to do almost anything within reason through its persuasive magic. They can be got to do nothing by logic or legalism, for they understand neither. If America should shake hands with Japan, it would have established the relationship that would enable it, with a little insistence now and then but easily and without any great pressure, to suggest and instill and effectuate a policy of justice, fair dealing, and friendly cooperation that would establish and perpetuate the peaceful development of the Pacific region while safeguarding the rights of all.⁴⁶

There would seem to be every hope that this action at the present time would establish a definite trend in the crystallizing Far East, and that the democratic and liberal ideas thus set in motion would, gradually indeed but never the less readily and naturally, become the settled direction and fixed policy of the entire region.

It is my own belief that the cooperation of the Chinese with the Japanese would follow almost automatically. It is perhaps worth

⁴⁵ Pencil notation by the Adviser on Political Relations (Hornbeck): "If a policy sanctioned by the Emperor is 'irrevocable', then the alliance with the Axis is *irrevocable*."

⁴⁶ Pencil notation opposite this paragraph by Dr. Hornbeck: "Naive."

while to recall that the Chinese were well on the way to actual collaboration with Japan when the Manchurian Incident rudely arrested the movement and turned the Chinese radically in the other direction.⁴⁷ Another thing to be remembered is the well-known Chinese trait of pitting one power against another and always managing to hide behind somebody else. The Chinese are the most practically minded people on earth, and when they find that they can no longer divide and rule, they promptly set about the task of working out some form of satisfactory collaboration.

Seven months before he died Pope Pius XI discussed with me the situation in the Orient. At that time (May 1937 [1938]) the China conflict was less than a year old.⁴⁸ He expressed the conviction that the Chinese and Japanese races complemented each other in their natural characteristics, that they had need of each other, that their geographic proximity rendered it absolutely necessary for them to live on friendly terms with each other, and that one of the greatest tasks awaiting statesmanship in the entire world was the reconciliation of these two nations on a basis of amicable cooperation.

Another basic factor in the whole problem is the internal reform of Japan itself that would be brought closer by establishing that nation in a policy of democracy, liberalism, and human rights. For good or ill, the aggressive energy of that pushing race will make trouble or effect good in the entire Pacific region according as it is directed in the right or the wrong channels.

We think it is always better to convert than to crush.

5. *Terms.*

When I left Japan it was the feeling of Prince Konoye and his associates that the actual terms of the agreement were not the crux of the matter, but that the real question now at issue was rather the willingness of the American Government to make any sort of an agreement with Japan at all. The Japanese seemed to believe that all the essential terms to an agreement had been satisfactorily dealt with by them, with the possible exception of one or two small details that seemed to them not sufficiently important to prejudice the entire agreement. However, because there may still be some lack of clarification in regard to the terms and because the officials of the Japanese Government discussed their attitude toward them many times with me, I shall here cite a few points in regard to them that may prove helpful.

(1) All the officials of the Japanese Government regret the September 4th confusion (except possibly the Foreign Office, one of whose

⁴⁷ Pencil notation by Dr. Hornbeck at this point: "He speaks as though the Chinese had started the 'Manchurian Incident'."

⁴⁸ The clash at Marco Polo bridge occurred on July 7, 1937, starting the undeclared war.

men caused it). The September 4th document ⁴⁹ is now null and void and is to be considered as having no practical effect whatever.

(2) Regarding the four specific points that were still under discussion at the last exchange of memoranda (territorial integrity of China, evacuation of China, freedom of trade, Article 3 of the Axis Treaty, if my memory serves me correctly), the Japanese Government now hopes that its formulae on these four points are satisfactory, and in any case it believes that it has already specified its attitude with all the precision possible by cable, and it would like to leave further precision for the actual meeting.

(3) The Japanese represent that they make no claim to any portion of Chinese territory, and that they stand prepared to guarantee freedom of trade in the southwest Pacific, in the whole Pacific region, or in any particular area of it that may be defined.

(4) The Prime Minister of Japan is prepared on the occasion of a meeting to anticipate all the various hypothetical cases that might possibly arise in the field of international relations, and he will state exactly what Japan will do in any and all of these possible cases, and he will give specific agreements to that effect which will provide for any and every contingency, and all of them will league Japan on the side of America in any conflict with any Axis power, provided only that America maintains at least a legal fiction of non-aggression. (This problem of stating explicitly the attitude of Japan in case Germany does this, Italy does that, or Russia does the other, is a matter that illustrates very well the difficulty of transmitting all pertinent details by cable.)

(5) Regarding North China, the formula preferred by the Japanese is "Cooperation against subversive elements until peace and order have been restored, this eventuality to be adjudicated and determined by China and Japan in conjunction".

Also the Japanese understand that the stationing of troops or police forces during this temporary period should be brought about by a mutual agreement between China and Japan.

Since territorial encroachment is entirely ruled out by the agreement itself, the Japanese do not see why they cannot be trusted to the extent of this temporary measure which is dictated by a very practical necessity.

The Japanese now have upwards of 200,000 civilians in that area engaged in trade, and in addition they project some economic development for the region. Unless all these civilians are to be taken out bag and baggage and the economic development completely abandoned, it would seem necessary (at least to me, and I believe to anybody who ever lived in China) to envisage or create some agency charged with peace preservation in the region until order has been established.

⁴⁹ *Foreign Relations, Japan, 1931-1941, vol. II, p. 597.*

Understanding that this item was holding up the negotiations, I tried very hard to get the Japanese to agree unofficially to something short of actual occupation by their troops for an indefinite period. I proposed a time limit, but they demurred. I proposed a Chinese corps directed by Japanese officers, but they again demurred. I proposed the creation of an international police force, but I was informed that they had already anticipated this suggestion and ruled it out as impractical. However, I wish to remark in this connection that I believe their minds are not completely and irrevocably closed on this point. I believe their unwillingness to place a time limit on the occupation of the North China area, or to accept a suggestion that would replace the Army by some other body, is dictated not by insincerity or a determination to remain and encroach, but rather by a desire to save the face of the Army. Because I think this is the real reason back of their reluctance, I also think it might be possible to insist on one or the other of the first two suggestions, namely, a time limit or a Japanese directed Chinese corps, when it comes to a final test. In short, I believe they would not abandon an otherwise advantageous and greatly desired agreement solely for this reason. They would certainly be very much embarrassed by such an insistence, but I think they would find a way out of it and would manage to reconcile their Army people, if they were pushed to it.

If this is true, it would mean that the evacuation question does not now involve the giving up of any under cover policy of territorial encroachment in North China or any other similar objective. Not that I fail to realize that such a policy would be nothing new. But I conceive that all their policies are now in flux, this long cherished one among them.

I hope my suggestion will not prove misleading. And because it might do so, I will record the indications, slight and inconclusive in themselves, on which it is based. These indications are chiefly two, namely: (1) The fact that my Japanese consultants spontaneously came back to the question so often, lingered over it so long, played around with it in so many ways, seemed so reluctant to dismiss it and (2) the fact that once, when I had pressed them very hard on the reasonableness and feasibility of a time limit, the most trustworthy of the lot finally confessed to me that the one insuperable obstacle to any such formula was the need to save the Army's face.

I doubt if they would agree to any formula of this sort prior to a meeting, because they would feel they could not afford to have it known *ante factum* by the Army, which catches and decodes every dispatch that goes out, including those of our own Embassy. I think they would agree to such a formula at a meeting, if pressed to it, because it could then be presented to the Army as a *fait accompli*.

My own guess at a formula that would meet with their reluctant acceptance and would at the same time work in practice if adopted, would be a time limit on the Army occupation (say six months or a year) followed by a Japanese officered Chinese corps for an indefinite period.⁵⁰

This whole suggestion, however, represents nothing but my personal opinion founded on the slight grounds here described.

6. *Alternatives.*

The Japanese appreciate the natural reason behind the attitude of insisting on knowing with certainty in advance that the meeting will prove a success, but they feel that this normally wise precaution should be waived in view of two unique factors in the present situation, namely: (1) their own physical inability to convey any more precision on specific details by any process short of a meeting, and (2) their feeling that the great amount of blind trust they repose in America by leaving the Axis camp should merit for them a slight return of similar confidence, and that it should take the form of trusting them to be sincere and reasonable in adjusting the few remaining details when the meeting takes place.

Here it may be apropos to recognize the fact that there is little to choose between the failure of a meeting and the failure of the negotiations. One is as bad as the other, for the failure of either will have the same unfortunate effect on international relations. That effect, according to the openly expressed views of all my Japanese informants, would be war.⁵¹

Would war prove the corrective to usher in an era of better days for the people of the Pacific? It is difficult to think so. Present misery and future enmity would be the certain fruits of war with an oriental nation, whereas any good effects that might be envisaged are very problematical. Such a measure could hardly leave a likely soil in which to sow the seeds of amicable relations and peaceful development in the Orient.

Meanwhile China is war weary. Its misery is mounting to the skies. Its dead through war, banditry, destitution and disease, according to an estimate made for me last week by the Bishop of Hong Kong, will be numbered in the *tens of millions* when it becomes possible to count the toll. Its good people must be ready to welcome an honorable peace that gives them back their country. I do not know if the same holds true of its leaders, but I would distinguish carefully between the sensibilities of the leaders and the real welfare of the people. I would also abstract from the revenge motive completely. It is natural that

⁵⁰ Pencil notation by Dr. Hornbeck: "Removal could not possibly be made within a 'year'."

⁵¹ Pencil notation by Dr. Hornbeck: "What war?"

the leaders of China and their afflicted people should feel deep resentment against the atrocious conduct of the Japanese Army, but resentment is not the right foundation on which to build for the future. It seems best to leave the punishment of these wrongs to God, Who alone knows how to mete it out with medicinal justice. In the meantime it is doubtless the proper business of men to erect on the firmest foundations available the structure of a practical and enduring peace.

There is no real peace anywhere in the Far East today.⁵² There is fear, tension, unrest and insecurity, where there is not actual strife. It would be a glorious thing if peace should come to the nations of the Pacific, with a workable freedom for each and a reasonable security for all, through the instrumentality of America.

J. E. WALSH
Superior of Maryknoll

OCTOBER 18, 1941.

N. B.

In presuming to file this memorandum for the possible consideration of the authorities of our Government I set out primarily to give an exposition and explanation of the views, attitudes, and statements of these Japanese officials and confidential agents with whom I have recently been in contact.

I spent two months (August 15th to October 13th) in and around Tokyo, meeting these men almost daily and endeavoring to encourage them in their efforts to smooth the path to peace. I obtained a certain grasp of their opinion, and have tried to reflect this in my notes.

However, it was inevitable that I should form some opinions of my own, and I realize that many of them are inextricably woven into this narrative. I trust this will not be regarded as an impertinence. I should particularly regret any observation of mine that might appear to be phrased with a dogmatic ring, and if such be found, I ask that it be attributed to the haste in which I compiled these notes while travelling.

I append here the list of these officials and Cabinet advisers with whom I have been in touch.

Prince Konoye	the then Prime Minister.
General Muto	Chief Central Bureau Military Affairs.
Paul Ikawa	Cooperative Bank.
Dr. Nobumi Ito	Member recent Cabinet.
Mr. Kinkazu Saionji	Personal Secretary Prince Konoye (Grandson of Prince Saionji, the late Genro).
Mr. Ushiba	Private Secretary Prince Konoye.
Mr. Matsumoto	Head of Domei News Service. (Personal adviser to Prince Konoye).

⁵² Pencilled notation by Dr. Hornbeck: "And for that *fact* who are responsible?—The Japanese (& the Germans)."

894.00/1118 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 19, 1941—3 p. m.
 [Received October 19—10:09 a. m.]

1656. Shortly after its investiture last night the new Government issued a declaration translated as follows:

“It is the immovable policy of Japan to settle successfully the China affair and to contribute to the peace of the world by establishing the East Asia co-prospering sphere. The Government which faces an unprecedentedly grave situation intends externally to promote more and more amicable relations with friendly powers and is absolutely [determined?] to perfect a national defense state; and thus under the august virtue of His Majesty the Emperor to go forward with a united nation to accomplish its holy task.”

In a brief radio address to the nation the new Premier reaffirmed the basic policies stated above. Demonstrative omission of reference to the Tripartite Alliance is significant.

The new Foreign Minister, Shigenori Togo, refused to make a statement to the press except to express support of the basic policies of the Government. He will not comment on relations with the United States but indirectly referred to recent criticisms of “secret diplomacy” by stating that he would “let the people know regarding the diplomacy of the country as much as possible on as many occasions as possible.” Other members of the new Government made the usual platitudinous remarks but no concrete announcements of policy were forthcoming.

GREW

894.00/1120 : Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, October 20, 1941—noon.
 [Received October 21—7:17 p. m.]

313. An American press representative here informs me that a Chinese source with good Japanese connections states that the Japanese Navy greatly fears the combined American and British fleets and would be very reluctant to approve a Premier whose policy meant war or serious chances of war with the United States; therefore, the present Premier, while having great power in Japan because concurrently heading Home and War Ministries, will be wary of any situation involving war with the United States, and Japanese press bluster is largely for home and Axis consumption. This source considered American action in recalling American vessels from Japan and China waters and other action indicating that the United States will use force would have a sobering influence on Japanese officialdom which still

is not fully convinced that the United States and Great Britain will fight Japan.

I am informed by another source usually reliable that the meeting of veteran Chinese statesmen and military leaders held in Peiping at the end of September on the invitation of the North China Political Affairs Commission was to have been the signal for launching an independent North China but at the last minute General Okamura, Japanese commanding officer in North China, received orders from the Army Chief of Staff, General Sugiyama, to call it off and the meeting degenerated into a social affair. This source does not know the reason for the change.

Sent to the Department, repeated to Chungking and Shanghai.

BUTRICK

711.94/2382 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 20, 1941—5 p. m.

[Received October 20—12: 35 p. m.]

1661. As the political background against which the recent change of Cabinet took place has been fully presented in a number of my confidential telegrams of the past 6 weeks or more, I shall withhold definitive assessment of the new Cabinet and of its policies until some tangible material becomes available. As, however, American radio broadcasts and reports of American press comment indicate that the Cabinet change is almost universally interpreted by the American public as an adjustment preliminary to an attack by Japan on Russia or to some other drastic action which must inevitably lead to war between the United States and Japan, I submit certain considerations, some of which rest on fact and some on reasonable assumption, that suggest that the view which seems to have been taken by the public at home with regard to the significance of the Cabinet change may not be in accurate perspective.

1. According to an informant who is close to Prince Konoye, the latter chose to retire and in retiring insured that his successor should be one who would endeavor to follow the course laid down by the previous Cabinet toward adjusting relations with the United States and settlement of the China conflict. A valid reason for believing that General Tojo answers this description is that he is one of the five members of the Konoye Cabinet who initiated and directed the informal approach to the American Government out of which there developed the current exploratory conversations.

2. We anticipated that if either the preliminary conversations or the contemplated formal negotiations should fail, Prince Konoye would be obliged to resign to be replaced not by a civilian but by a

military dictatorship. As the conversations have not been terminated, the conditions to which that forecast was applicable did not arise. We suggest as a likely reason for Prince Konoye's resignation his belief that the conversations would proceed more rapidly if the American Government were to deal with a Prime Minister whose influence rests on leadership in and on support of the Japanese Army, which has the final voice in matters of policy, rather than with an intermediary. Although as anticipated Prince Konoye was followed by an army leader and not by a civilian, intimations of readiness by the new Cabinet to continue the conversations, together with the circumstances set forth in the preceding paragraph, would indicate that it would be premature to characterize the new Cabinet as a military dictatorship committed to the pursuit of courses calculated to lead to war with the United States.

3. An important aspect of General Tojo's appointment lies in the fact that, unlike previous military Prime Ministers in Japan, he is not retiring from the Army but is maintaining his position as a full general in the Army. For the first time in recent history the Army itself is thus accepting responsibility for the conduct of government and governmental policy, a responsibility which hitherto it has refused to assume. It may also be logically expected that General Tojo's retention of his position in the Army will afford him a greater degree of control over extremist elements within the Army than would otherwise be the case.

4. The appointment of Mr. Tani, formerly Vice Minister for Foreign Affairs, as President of the Cabinet Information Board, is a favorable indication. He is known to me as a levelheaded, forward looking, and friendly Japanese. In private and confidential conversations with me he has on several occasions condemned the Tripartite Alliance in unqualified terms.

5. A member of my staff who became acquainted in Moscow with the Foreign Minister, Mr. Togo, and who has met the latter's wife and daughter several times after their return to Japan, informs me that Mr. Togo, as Ambassador at Moscow, was highly regarded by the Soviet Government as the most acceptable Japanese representative in recent years. According to reliable reports, the Soviet Government was openly disappointed over Mr. Togo's removal in October, 1940, in view of the conversations looking toward the conclusion of a political treaty which he had been conducting up to that time with success. On the occasion of Mr. Togo's departure for [from?] Moscow he was tendered unusual courtesies by the Soviet Government. It will also be recalled that Mr. Togo was included in the "purge" carried out by Mr. Matsuoka last year, reportedly on the grounds that he was too moderate in his views and opposed to the extreme foreign policies carried forward by Mr. Matsuoka.

6. According to a statement just released by Domei, the official Japanese news agency, the new Cabinet will formulate no new policies for the reason that the basic national policy had already been laid down by the Konoye Cabinet.

GREW

894.00/1121 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 22, 1941—6 p. m.
[Received October 22—6:34 a. m.]

1673. The appointment of Haruhiko Nishi as Vice Minister for Foreign Affairs, whose last post was Counselor with rank of Minister in Moscow, was announced in the press this morning. Mr. Nishi has been occupied during recent years, both in the Japanese Embassy in Moscow and in the Foreign Office at Tokyo, with Soviet-Japanese relations. He has the reputation both here and in Moscow of being an honest and trustworthy man without, however, any outstanding ability or intellectual attainments.

With the appointment of Nishi, both the Minister and the Vice Minister for Foreign Affairs are professional Japanese diplomats who have had first-hand experience in the Soviet Union and are both regarded as at least not unfriendly toward the Soviet Government.

GREW

740.0011 European War 1939/16039 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 22, 1941—11 p. m.
[Received October 22—8:45 p. m.]

5048. Personal for the Secretary. Knowing that you are following every detail of the situation developing in the Far East, I thought that the conversations which I have had with the Russian Ambassador and with Eden would be of interest to you and perhaps of some help. Last night Maisky asked me to have dinner with him as he wanted to talk with me informally. He is concerned about a possible attack by Japanese in Siberia. He wanted the British Government to join with the United States to warn Japan against an attack upon Russia. I saw Eden today. He was disturbed on similar grounds. The question of a possible sequence of events in which Japan would be tempted to strike against Russia under German pressure, the compromising of England as Russia's ally, and our own position, all seriously troubled him. Although he recognized that it would not be possible for us under our division of powers and treaty position to issue a joint secret

warning with the British to the Japanese and perhaps unwise to issue separate independent public statements challenging Japan because of prestige and "face", he hoped that if we were continuing conversation with Japanese we would press the Russian cause and he added that the British would be willing to have it said in the conversations that they would support our position. I did not ask concerning precise language because I wanted first to forward the suggestion for your consideration.

WINANT

793.94/16985 : Telegram

*The Military Attaché in China (Mayer) to the War Department*⁵³

[Extract]

CHUNGKING, October 21, 1941.

The official Chinese view is that the Japanese will begin an offensive in Eastern Siberia within two weeks. It should be noted that several months before the beginning of the Russo-German war, the Chinese predicted the date it would start, and missed it by only a few days.

In Indo-China the Japanese are laying in supplies for 100,000 troops, but the Chinese report of large additional troop movements into Indo-China has not been confirmed. It is estimated that there are not more than 40,000 there at present.

MAYER

740.0011 Pacific War/1106

*Memorandum by Mr. William R. Langdon, of the Division of Far Eastern Affairs*⁵⁴

[WASHINGTON,] October 25, 1941.

OBSERVATIONS ON THE FAR EASTERN SITUATION AND ON AMERICAN
POLICY IN RELATION THERETO

Probably because of uncertainty over the future in the face of physical isolation from her Axis partners, sustained resistance by China,

⁵³ Received at the War Department October 23, 1941, 4:20 p. m.; paraphrase received in Department of State on October 25. Noted by the Secretary of State.

⁵⁴ In an attached memorandum dated October 28, the Chief of the Division (Hamilton) wrote: "At my suggestion Mr. Langdon . . . has set forth his views in regard to various aspects of the Far Eastern situation. In his memorandum Mr. Langdon has advanced a thoughtful, reasoned point of view, based upon years of observation and study of Japan and Japan's adventurings on the Asiatic mainland. Other equally qualified specialists in the Far East would not agree with some of Mr. Langdon's opinions and conclusions. However, whether one agrees entirely with Mr. Langdon or not, I feel that there is much in what he says which warrants serious consideration."

economic sanctions by the democracies, and our lend-lease program for China, Japan is understood to have solicited our mediation in a settlement of the war with China. Confronted with this request, we ought to know every aspect of the situation with which we have been asked to deal. Unfortunately we have no way of knowing some of the most important aspects. There is basis, however, for what would seem to be accurate estimates of a number of factors.

The main factors of the Sino-Japanese conflict would seem to be :

- (1) The intentions and plans with regard to China of the controlling elements in Japan;
- (2) Japan's relations with and commitments to the Axis;
- (3) The physical involvement in China of the Japanese nation;
- (4) The vested interest in China of the Japanese Army;
- (5) The intentions, determination and degree of endurance of the Chinese.

Owing to the suspicion with which the diplomatic missions in Japan of the democracies have come to be viewed in recent years because of the conflict between Japan's policies and those of the democracies, these missions have been confined within a narrow compartment of Japanese political life and been held quite incommunicado as it were from the dominant compartments, the Axis compartment and the military compartment. Thus these missions for reasons beyond their control have not been in a position to enlighten their governments on fundamental features of current Japanese political life. We have no way of knowing where Generals Minami, Umezumi, Ishihara, Itagaki, Doihara and their kind, the men of influence in Japan, stand in regard to, or how they will react to, possible abandonment of this or that plan of empire.

With regard to the physical involvement of the Japanese nation in China, we have a clear idea. We know that since 1937 hundreds of thousands of Japanese civilians have gone to China and have occupied on a permanent footing the controlling position in the community. We know that this mass movement of Japanese has not been purely a carpet bagger's or a camp follower's movement, but a movement of the strongest elements of the Japanese race having the fullest support of the Japanese Government administered through the China Affairs Board and the Manchurian Affairs Board of the Cabinet. As proof of the national character of the plans for consolidating the Japanese position in China, we know that in addition to the creation of the two Boards just mentioned the Japanese Diet since 1938 has enacted organic laws * for the machinery of Japanese economic exploitation of China on a national scale. We know that the administration in

*Law of the North China Development Company, capital Yen 350,000,000; law of the Central China Development Company, capital Yen 10,000,000, holding company of enterprises and properties taken over from Chinese and capitalized at some Yen 400,000,000. [Footnote in the original.]

occupied China and Manchuria down to small detail of all railroads, electric communications, transportation services, public utilities, banks, currency and exchange, mails, customs, power industries and public markets has passed into Japanese hands.

With regard to the professional Japanese army, we know that it has a vested interest in continued military occupation of China and that it is in business and "rackets" in China on an all-out scale, and that the money is rolling into its pockets. We know that the army is enjoying power, wealth, authority and good living undreamed of before, and therefore we may be certain that the army is not going to give up China lightly.

Of the Chinese intentions and endurance, we know that they are sufficiently important factors not to be overlooked in the question with which we have been asked to deal.

The Japanese request for mediation at this time, when the tide of success is showing signs of turning against Japan, is understandable. Possession being nine points of the law, the Japanese are in an excellent position to get a good bargain in a settlement made at this time: recognition of "Manchukuo" and possibly "Mengchiang" (the Inner Mongolian puppet state), right to maintain garrisons in this region and that, right to operate this public utility and that, concessions for "joint Sino-Japanese" exploitation of this enterprise and that, and other special rights derogatory in varying degrees of Chinese sovereignty. The Japanese nation would endorse a settlement of this kind, as it provides the concrete advantages the Japanese people are capable of understanding, perpetuates in the main the social and economic position of the new Japanese communities and the Japanese military regime in China and Manchuria, and furnishes some legal and moral justification for continuation of the conquest of China at an opportune moment in the future. It will be recalled that a similar maze of garrison, railroad, mining, Sino-Japanese joint enterprise, sphere of influence and other special rights in a corner of south Manchuria acquired by Japan at an earlier period justified in the Japanese mind the wresting from China in 1931-32 of all of Manchuria and the province of Jehol. A settlement that sacrificed any of the more important Japanese gains since 1937 would be likely to be repudiated by the Japanese people, and any government which attempted to make such a settlement would not only court defeat but expose its members to assassination. Even assuming that such a settlement was supported by the majority of the Japanese civilian population in the homeland, it is difficult to see how it could be enforced against the army and the swarms of Japanese office holders in China.

In the presence of this Japanese request for mediation we are confronted with the question of the proper course for us to follow in re-

spect to such request. It would seem that two considerations of important national interest should guide us in setting our course: (1) the effect of the sort of settlement the Japanese nation is now willing to make on our future tranquillity in the Pacific area and on our future peaceful commercial and cultural expansion in China; and (2) the effect of such a settlement on our task at hand of bringing about the destruction of Hitler's armies.

The Japanese program of restricting Chinese sovereignty after partially dismembering China and of excluding non-Japanese commercial and cultural enterprise from China both blocks our commercial prospects and cultural projects in China and contains the seeds of future disturbance in the Pacific area. Japan in her present aggressive, predatory state of mind constitutes a threat to Great Britain, the Netherlands and the Soviet Union, fighting our common foe Hitlerism, and might attack them if not fully engaged in China as she now is. Besides, in her present mood Japan has designs, which her present situation prevents her from carrying out, on many raw materials essential to our own defense industries and normal economic life. Our interest therefore dictates that we should follow a course that will (1) defeat Japan's program in China, (2) immobilize Japanese military strength while the war on Hitlerism continues. Accordingly, we should either flatly decline to mediate between China and Japan, meanwhile increasing our help to China and continuing to have no commercial intercourse with Japan, or make our mediation (and cessation of aid to China and resumption of commercial intercourse) conditional on the acceptance by Japan of peace conditions meaning to her so great a sacrifice at this time that we know she will refuse them.

The terms of peace on condition of acceptance of which we might agree to mediate at this time need not be intrinsically harsh or unfair to Japan. On the contrary, these conditions should be so essentially just to both Japan and China that they will constitute the framework of an enduring peace between them, with its beneficial influences on our future tranquillity and commercial development. For the first time in modern history China is displaying the attributes of a sovereign nation and fighting resolutely to defend its integrity and freedom. At the same time, Japan, for the first time in her modern history, is suffering from her aggression—heretofore she has only prospered. There seems to be every reason that the fight should not be interfered with. I predict that, given a continuation of the present economic isolation, some building up of Chinese armament, and confinement of German military power to Europe, the Japanese nation by 1943 will accept the terms of peace they would reject now if proposed to them as a condition of our mediation. These terms in general outline might be:

(1) Withdrawal of all Japanese troops from China south of the Great Wall, including Hainan Island, except those provided for in the Boxer Protocol ⁵⁶ and small landing forces for the protection of Japanese and international settlements;

(2) Restoration of the administrative and ownership *status quo* in intramural China as of July 7, 1937, viz.: recall of all Japanese officials except those whose services are retained by the Chinese Government, restoration to China without compensation of all railroads, electric communications, public utilities and services, banks, public enterprises, and Chinese national, provincial, local government and private properties seized by Japan since July 7, 1937; also disavowal by Japan of any special rights or economic concessions obtained from puppet governments since July 7, 1937, or of claims to any special economic position in any part of China (the repeal of the organic laws of the North China Development Company and of the Central China Development Company, see footnote page 3, might be urged as a token of good faith);

(3) China to give to Japanese nationals the right of residence and of ownership of real property everywhere in China;

(4) China to amnesty all puppet officials, puppet armed levies, etc.

(5) The future status of Manchuria to be determined by an agreement with the lawful Government of China negotiated in a conciliatory spirit.

As an inducement to Japan to accept the above terms, we might promise to resume commercial relations with Japan and even conclude a new treaty with her *on performance of the first two articles and on conclusion of a settlement with China of the Manchurian question*. Our promise might include a commitment to give special consideration to Japan's industrial needs in the administration of our export control and defence economy. For instance, we might suggest the conclusion of a contract like that made in 1917-18, whereby we supplied Japan with steel in return for so many tons of ships built in her yards to our specifications.

The idea is current in a school of political thought that Japan might be lured away from aggressive policies in the Far East and won over to cooperation in bringing about an era of peace in the Pacific by attractive offers of greater participation in the resources and markets of the democracies, especially the colonial territories of the democracies in Asia. While economic factors possibly played some part in starting Japan on her aggressive course, it is not believed that they were the paramount cause, Japan never having seriously complained about the treatment of Japanese trade, enterprise and capital in neighboring states and European colonies. If Japanese enterprise had been severely restricted in those lands, Japanese, to give a few examples, would not have become the principal producers of hemp and the principal fish suppliers of the Philippine Islands, as well as the chief purchasers

⁵⁶ *Foreign Relations, 1901, Appendix (Affairs in China), p. 312.*

of Philippine iron and manganese ore; they would not have occupied first place (ahead of England) in India's piece goods trade; they would not have been accorded special commodity, shipping and exchange agreements by the Dutch East Indies Government; they would not own mining properties in Malaya; they would not occupy second place after the sovereign in the trade of every Far Eastern colony.

Thus as economic difficulties generally and restrictions on Japanese trade and enterprise in neighboring colonial lands in particular were not chiefly responsible for Japan's actions in the past decade, we must look elsewhere for the main causes. On the basis of observation, I attribute Japan's policies since 1931 to more elemental factors; desire for possession, power, and territorial expansion, the cult of war, a revolutionary spirit, compression of population. Be the causes of Japan's aggression what they may, there seems to be no doubt that the dominant forces in Japan at the moment are possessed of a primitive mentality both incapable of understanding concepts of liberal statesmanship and enlightened political economy and indifferent to mercantile benefits. The foregoing remarks do not imply that the commercial policies of colonial governments in Asia are perfect or that Japan could not at the proper time be given a greater share of the resources and markets of those lands. The point of the remarks is that the time for offering commercial blandishments would be ill-chosen, both because such blandishments, attractive to a capitalistic mentality, hold no appeal for the real leaders of Japan, who lean toward controlled economy, economic autarchy and state capitalism, and because mercantile problems have not been the basic cause of Japan's actions.

It has been advocated in the foregoing passages that in the national interest we either allow the Sino-Japanese conflict to run its course, meanwhile continuing to arm China on the one hand and disarm Japan by economic isolation on the other, or agree to mediate in the conflict on condition of acceptance by Japan of terms involving the sacrifice of everything gained since 1937 and of compromise on the Manchurian question, or terms which we know Japan will not accept. There is a school of thought which is of the opinion that, faced with the alternatives of losing every gain in China as well as compromising the status of "Manchukuo" and of progressive loss of offensive and defensive strength, Japan will strike out in new directions, especially Malaysia, in order to secure and maintain her military position. I am of this opinion also, but only on one hypothesis, namely, that the new regions at which Japan will strike will be vacuums from the point of view of military resistance like French Indo-China. I am convinced on the other hand that Japan will go nowhere where her keen intuition will tell her she will be challenged by force.

The conviction that Japan will go nowhere where she will meet with "shooting" resistance comes from my belief that Japan is incapable at present of conducting a war on two widely separated fronts: incapable because of insufficient manpower and military equipment. If additional manpower and arms with which to equip such manpower were available, it is safe to assume that such manpower would have been mobilized long ago to crush Chinese resistance. A labor shortage exists at present in Japan despite the closest regulation of industry to prevent non-essential production, and it is obvious that any large induction of additional manpower into the Army would seriously dislocate an already sensitive economy. There is also the question whether Japan's war industries, which have been deprived for so many months of essential replacement equipment and materials obtainable only from abroad, would be capable of arming additional troops and maintaining them in the field in a campaign of modern warfare. Thus it is believed that new wars can be conducted only by employing troops now used in China, viz., by abandonment of given occupied areas in China or by a general shortening of the front in China, which in either case would mean the exchanging of one productive bird in the hand for two uncertain birds in the bush.

The powerful Japanese Navy has not yet been taken into account in this discussion, which now is concerned with the threat of the Japanese so-called "southward advance", if Japan's position should be forced into a static condition by reason of an inflexible stand on our part. To a layman it would seem that as the "southward advance" involves a large expeditionary force of land troops, which are not believed available, the question of the Japanese Navy does not enter into the discussion because a navy by itself cannot occupy defended territory. Assuming for purposes of argument, however, that Japan can equip an expeditionary force of several hundred thousand men for conquest of Malaysian territories and that this force is conveyed by the Japanese Navy, would not the whole armada run the risk of destruction from the air provided the owners of the territories to be invaded sent their respective air force to intercept it at sea?

Japan no doubt has several divisions of troops to spare for easy conquests overland, specifically, for overrunning and occupying Thailand, and there is a strong probability that Japan may yet seize Thailand when her intuition tells her that Great Britain, the United States and the Netherlands will react to such seizure only in some measure short of war.

As will be concluded from the foregoing passages, the view is held that Japan does not constitute a threat to the democracies as long as China engages the Japanese Army. The chief reasons for this view are the belief that Japan cannot fight on two fronts, the Chinese front and a Siberian or Malaysian front, lacking the necessary war indus-

tries to equip new armies assuming that she has the manpower available for such armies, which is doubtful. Of course, by two fronts is meant two *fighting* fronts, not one fighting front in China and the other a marching front like Indo-China or, as may later be the case, Thailand. Consequently, if the democracies are steeled in their inner consciousness to strike hard and immediately at any intruder into their common zone of security and at any armed assistance to their enemy—steeled in such a way that Japan will sense their determination—, they may safely leave Japan out of their war plans, allow their estrangement with Japan to run on indefinitely, and continue with increasing intensity to rearm China. A negative policy of this sort will confine Japan to a bare subsistence sphere and progressively reduce her war-making capacity. In this helpless and hopeless position, as Japan's war industries stagnate from lack of new equipment and essential raw materials while the war output of the democracies assumes Titanic proportions, we may expect to see Japan grow progressively anxious about her outlook and disposed to abandon her program of making China a Japanese dependency.

In conclusion, it should be emphasized that control of China, including Manchuria, is the beginning and end of Japanese policy, and that the "co-prosperity sphere", "Greater East Asia", the "southward advance", and the "new order in East Asia" are nothing more than catchwords of very recent invention to keep the Japanese people keyed up. These catchwords have never been defined by the Japanese Government spokesmen and are not taken seriously by the Japanese people. The seizure of Indo-China was not part of Japanese polity, but was the result of French helplessness and of the need in the Japanese mind of preventing Indo-China from falling into other hands, while the present Japanese covetousness of territories south of Indo-China is a temporary development due to the cutting off by the democracies of supply to Japan of products of those territories. Japan's membership in the Axis too is not believed to be of fundamental significance in Japan's polity, but a passing development arising from the needs of the moment. Thus a fundamental adjustment of the democracies' relations with Japan lies, it is believed, in the satisfaction of Japanese claims in China. At the moment these claims are incompatible with China's national existence as a sovereign state and with the general interests of the world at large, including our own interests, but with the pressure of developments it is believed that these claims will be boiled down to the question of the ownership of Manchuria.

The Manchurian question is susceptible of settlement in a number of ways. The settlement that would be most conducive to lasting peace between Japan and China would be the liquidation of "Manchukuo" by an act of cession of sovereignty to Japan and China by Pu Yi⁸⁷

⁸⁷ "Emperor of Manchukuo".

and the subsequent division of Manchuria between Japan and China, China getting back the old provinces of Jehol, Chinchow, Fengtien and Kirin, thickly settled with Chinese, and Japan getting approximately the eastern half of Manchuria, which is sparsely populated and richly endowed with timber and minerals, and which would constitute a great frontier region in which the Japanese race could expand.

793.94/17014½

Memorandum by Mr. John P. Davies, Jr., of the Division of Far Eastern Affairs

[WASHINGTON,] October 25, 1941.

The underlying transcript of a radio address made by Madame Chiang Kai-shek on October 10⁵⁸ reveals as clearly as anything I have recently seen coming out of China the psychological results upon China of certain phases of our policy or lack of policy toward that country.

Madame Chiang's speech reveals a conflict which in varying forms exists in all Chinese who are at all currently informed, including a surprisingly large number of the coolie class—a conflict between (a) gratitude for the great work of American relief and charity organizations and (b) a bitter resentment at our sale over a period of four years of war materials to Japan (I encountered this feeling even among persons identified with the "puppet" regimes). A second major conflict is one between (a) appreciation of the recognition, implicit in the Lend-Lease program, of China as a partner with the United States and Great Britain and (b) deep disappointment and uneasiness at not being kept promptly and fully informed and not being consulted with regard to Far Eastern matters and at the apparently studious avoidance of mention of China in many of the major American pronouncements with regard to the fight against aggression. It is evident that the Chinese feel that we have treated them in a cavalier fashion and that we have made them lose face, all of which has had a damaging effect upon their morale.

The portions of Madame Chiang's speech revealing this psychological condition have been underlined. The most significant are perhaps:

"We feel that we have earned equality of status with the other democracies, but we do not want it granted to us in charity. . . . We have an indispensable right to be consulted and to make our voice heard when others deliberate about Asia and the Pacific. We are the senior nation in the stand against aggression, therefore we ought not to be treated as a junior in the common councils of the anti-aggression

⁵⁸ Not printed.

nations. . . . We cannot rest secure until you unreservedly recognize our right to take our full share of responsibility in planning a world order that will prevent future aggression. . . . We in China believe that you are now fully aware of the futility of trying to preserve democracy in one corner of the world at the expense of nations struggling for democracy in other parts of the world."⁵⁹

711.94/2394 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, October 26, 1941—1 p. m.

[Received 5:45 p. m.]

1690. For the Secretary and Under Secretary only. 1. The Japanese press yesterday and today prominently quotes Colonel Knox, Secretary of the Navy, as having stated in a public address that the American Government is satisfied in its own mind that the Japanese have no intention of giving up their plans for expansion and that if they pursue that course a collision with the United States is inevitable.

2. From the evidence before the American public and the world at large the conviction that the Japanese have no intention of abandoning their expansionist plans appears logical, but the fallacy of the premise lies in the fact, of which we in the Embassy have no doubt, that the men now in control of the Japanese Government are prepared to abandon these plans for expansion by armed force provided that a practical *rapprochement* with the United States can be effected.

3. Piecing out the information conveyed to you in my 1646, October 17, 11 a. m.,⁶⁰ I learn from a wholly reliable source that before the resignation of the Konoye Cabinet the Emperor summoned a conference of prominent members of the Privy Council, the Army and Navy and asked them if they were prepared to follow a course which would ensure the avoidance of war with the United States. My informant states that the military and naval officers present at the conference remained silent, whereupon the Emperor, referring to the enlightened policy of his grandfather the Emperor Meiji, took the unprecedented step of commanding the armed forces to follow his wishes. This unequivocal position taken by the Emperor led to the necessity of appointing a Prime Minister who could be expected to exert effective control over the Army, with the resulting fall of the Konoye Cabinet and the selection of General Tojo who, while retaining his active position in the Army, is committed to endeavor to bring the conversations with the United States to a successful conclusion.

⁵⁹ Omissions indicated in the original.

⁶⁰ Not printed, but see memorandum by the Counselor of Embassy in Japan, October 17, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 689.

4. Informant states that the anti-American tone of the Japanese press and the bellicose utterances of extremist and pro-Axis elements are no true criterion of the feeling throughout various strata of the Japanese people, and especially the present leaders, that an understanding with the United States must be achieved, and that the new Foreign Minister, Mr. Togo, accepted office for the specific purpose of bringing the conversations to a successful conclusion and with the understanding that in the event of failure in that purpose he would resign.

5. It is believed by the Japanese leaders that the chief obstacle to a so-called settlement with the United States is the withdrawal of Japanese troops from China and Indochina and the further belief is expressed that such withdrawal can and will be accomplished if Japan is not pushed into a corner by the expectation on the part of the United States that such withdrawal shall be executed all at once.

6. Informant, who is in touch with the highest circles in the country, characterizes the present situation and the new setup in Japan as opening a vista for a new orientation of policy and action which has been lacking during the past 10 years.

7. In commenting on the foregoing information and opinion, I can add little to the discussion contained in my 1529, September 29, noon, in which the suggestions put forward especially in paragraphs numbered 5 and 10 are still pertinent even although the procedure for negotiation envisaged in the proposed meeting between the responsible heads of the two governments may now have to be altered. If it is true—and I have no reason for doubting the accuracy of informant's statement—that the Emperor is now for the first time taking an active part in shaping the future policy and action of Japan with the expressed purpose of bringing about a *rapprochement* with the United States, we may with some confidence look forward to a more positive effort on the part of the new Prime Minister and Foreign Minister to bring the preliminary conversations into more specific channels than hitherto. For the present and until the new Foreign Minister establishes contact with me, the foregoing opinion is necessarily speculative. In our first talks I shall of course take no initiative and whatever may be the nature of Mr. Togo's approach, I shall continue to make clear the fact that you desire the preliminary conversations to be held in Washington and only in a parallel way in Tokyo.

8. From such evidence as has come to me I now have little doubt that, if the Emperor himself had not taken a positive and active stand on this issue, the developments envisaged in paragraph no. 8 of my 1529, September 29, noon, would in all probability have occurred.

GREW

740.0011 P. W./619

Dr. E. Stanley Jones to the Chief of the Division of Far Eastern Affairs (Hamilton)

WASHINGTON, October 26, 1941.

DEAR MR. HAMILTON: I wanted to see you while in Washington this week, but could not get around to seeking a conference. So I do the next best thing in writing you this. I am to be in Washington again on October 30, 31, and if you think it worthwhile I might talk to you about the contents of this letter.

I saw the Japanese Ambassador this week and he said in substance: The crux of our difficulties with the United States is "the China incident". The crux of that problem is the withdrawal of troops, particularly in North China. The crux of the problem for the Japanese is psychological: after four years of war we have nothing to show for it if we withdraw troops and revert to the *status quo*. And yet we see that we must withdraw the troops in order to win China. He agreed with my statement that unless they had won China at the end they had lost the war, for to have a non-cooperative China at the end is to lose the future.

He felt that they were on the horns of that dilemma, and the problem of getting out was psychological.

My suggestion to you about New Guinea would, I believe, provide the way out psychologically, for Japan. It would enable Japan to be generous in the settlement with China, for we had been generous with her in providing a way out for her surplus population.

Your question at the time⁶¹ was concerning the difficulty which the United States Government would feel in regard to raising the question of giving New Guinea to Japan, since we would be asking someone else to give something which we were not giving. I saw the force of this and suggested that the United States might share in this by agreeing to give a financial contribution to help repay the losses of nationals concerned.

I also saw it would be easier if the two countries involved, namely, Netherlands and Australia, would be willing to consider such a solution and themselves raise it with you. Hence, entirely on my own, and making it plain that I represented nothing except myself, I saw the Netherlands and the Australian Ministers on Friday and Saturday last. The Netherlands Minister was unresponsive. The underlying thought in his mind, though unexpressed, was, apparently, that since they had the backing of America in the situation they could sit tight,

⁶¹ See memorandum by the Chief of the Division of Far Eastern Affairs, September 17, p. 455.

hold the *status quo*, and do nothing to lay the foundations of peace in the Pacific. He did say this: "We would be willing to help Japan to save her face by saying that we would be willing to enter a co-prosperity movement in the Far East, cooperating in every way, provided it meant no change in sovereignty."

I am convinced that this is not enough, that there will be a change in sovereignty before settlement, and it will be either by force or by consent. We could head off that attempt by force by providing a solution.

On the other hand I found the Australian Minister most sympathetic. Not that he did not point out difficulties—he did, but his general conclusion was that he agreed that something of this kind would have to be done before a permanent peace in the Pacific is achieved. He added that he would send my suggestions to the Australian Government.⁶²

He added this as a further suggestion: "The fears of the Australian people of having Japan at her doors in New Guinea with the possibility that having come so close she may go further, might be allayed if the United States in any settlement would be a part of it and would guarantee, as it were, until some international body could take over the responsibility, that Japan would stop at New Guinea. If the Australian people felt a security regarding the future they might be willing for this way out." This would involve mutual non-aggression pacts of which we would be a part. This, to my mind, might not be impossible.

The Australian Minister asked if I had raised the question of New Guinea with the State Department. I replied that I had, entirely, of course, on my own and unofficially, and that the only reaction I had was that the State Department would feel difficulties in raising a question regarding the territory of someone else. I added that I was "the fool who rushed in where angels fear to tread", and his reply was: "Something like the catalyst function in chemistry, an agent that precipitates a reaction, but is itself no part of it". Perhaps that best expresses the part I am trying to play. I am only interested in reconciliation.

One other matter, and this I feel may have real possibilities in it. A very high official at Washington, whose name I think it better to withhold, suggested that it might be well for our Government to send at once a Commission of three persons, of high ability, of outstanding character, of broad sympathies and understanding to go to the Far East and try to find a basis of settlement.

⁶² The Adviser on Political Relations (Hornbeck) suggested on October 30 to Mr. Hamilton that this and the next two paragraphs be brought to the attention of the Australian Minister (Casey) through the Under Secretary of State (Welles).

This, to my mind, might do two or three things: first, it would produce a delay, would amount almost to an armistice, and give the situation time to cool. Second, it would show Japan that we really wanted a solution. Third, it might result in finding that basis of settlement.

I pass this on to you for your consideration.

I must say in closing that my reason for sending these suggestions is that I know the State Department is seeking for light on a very difficult problem, from whatever source it may come and however humble.

Yours very sincerely,

E. STANLEY JONES

740.0011 Pacific War/620

Dr. E. Stanley Jones to President Roosevelt ⁶³

WASHINGTON, October 27, 1941.

DEAR PRESIDENT ROOSEVELT: Although I have had a good many conversations with various people, including the Japanese and the Chinese Ambassadors and the State Department, regarding a possible basis of peace in the Pacific, I have refrained from attempting to see you personally, for I know how pressed you are. But one matter has now arisen which I would like to pass on to you for your consideration. Perhaps you have it already under consideration; if so, I would reinforce it, if possible.

The Japanese Ambassador tells me that it is psychologically impossible for Japan to withdraw completely from China after four years of war with nothing to show for it as a result.

Some way must be found to help her over that psychological difficulty. Would it not be possible for you to send a Commission of three to the Far East to try to find a way of settlement?

The sending of the Commission would show that you recognized Japan's difficulty, that you were anxious for a way out other than war. It would also amount to an armistice, would give the situation time to cool. It might find the basis of a just settlement.

As I see it, the crux of the China settlement is the joint defense of North China against Communism. My suggestion was that Japan withdraw all troops from China, including North China, and that China then make a treaty with Japan that in case she is attacked in the North by a third party, Japan would come to her aid. This would give China political and territorial integrity and it would give Japan

⁶³ Transmitted to the Secretary of State on October 30 with President Roosevelt's request for a reply to Dr. Jones. The Secretary of State on November 6 duly acknowledged this letter from Dr. Jones.

a joint defense. The Japanese Ambassador said that this would open a possibility and that he would agree to it personally, but was not sure whether Tokio would.

It seems to me that a Commission of three men of high ability, of outstanding character, of broad sympathies and insight, might find a solution. I commend it to you as a possibility.

I am enclosing a memorandum ⁶⁴ which I sent to the Australian Minister after conversations with him.

Assuring you of my continued prayers for you that you may find God's will for this nation,

Yours very sincerely,

E. STANLEY JONES

740.0011 European War 1939/16293

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] October 29, 1941.

The British Ambassador called at his request and inquired about the Japanese situation. I said that the new Government of Japan had indicated a desire to continue the exploratory conversations, and that this Government had requested the Japanese Government to return to the point where they began to narrow their part of the matters under discussion to see whether they could not review and broaden their tentative exploratory lines of discussion. We have, however, not thus far heard from them.

The Ambassador then inquired whether Great Britain and this country could not and should not say to Japan that the two Governments would fight if Japan undertook to blockade Vladivostok or to attack Siberia or both. I replied that I was not speaking for the President, the Navy or any other Department of the Government, that I did not know just what conversations, if any, have taken place among the military and naval representatives of our and other governments interested in this situation. I said, however, that I might personally refer to a suggestion that Japan tactfully be advised that her blockading of the Sea of Japan and parts of the Pacific Coast of Russia, including the port of Vladivostok, would have to be treated by this country, for example, or by Great Britain, as an embarkation on a broad unlimited program of conquest by force—the broad conquest so often proclaimed by Japanese spokesmen—that this would bring up the whole question of the South Seas and the South Sea area so far as the use, occupancy or the domination thereof by Japan might be concerned, and that the other governments interested would, of course, be obliged to act for the preservation of their own interests

⁶⁴ Not printed.

and rights in all of this South Sea area as well as any other areas coming within the scope of Japanese conquest. The Ambassador seemed to approve this view. I suggested that he might feel out his government on this, and then the whole problem might be discussed further.

C[ORDELL] H[ULL]

740.0011 Pacific War/1106

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] October 29, 1941.

I have before me a copy of a memorandum submitted by Mr. Langdon under date October 25 entitled "Observations on the Far Eastern Situation and on American Policy in Relation thereto".

I wish to say that I am very much impressed by Mr. Langdon's observations, his analysis of the situation and his suggestions regarding policy. I find myself thoroughly in accord with practically everything that I find in the memorandum up to the last page (16). At page 16 I find myself not sharing the view that "at present Japanese covetousness of territories south of Indochina is a temporary development due to the cutting off by democracies of supply to Japan of products to those territories"; and, not in accord with the view that a dividing of Manchuria between Japan and China in which Japan would get approximately the eastern half of Manchuria would constitute a "settlement" (if by settlement there is implied creation of a condition of real peace) of the Manchuria question [and a pacification of Japan].^{64a}

I concur in Mr. Langdon's views that: Japanese military and civilian intrenchment in north China and other recently occupied areas has been carried out with the intention of being permanent; that such intrenchment is now so complete that no Japanese Government could abruptly withdraw Japanese military forces and civilians from these areas; that Japan's present program is inimical to our commercial and political interests and is a military threat to Great Britain, the Netherlands, and the Soviet Union; that our interests require that we follow a course designed to defeat Japan's program in China and to immobilize (in China) Japan's military strength; that we should, consequently, increase our help to China, continue to have no commercial intercourse with Japan, and refrain from mediating between China and Japan; that commercial and other economic concessions to Japan would not, under present circumstances, result in any change in Japanese fundamental policies; and that Japan will

^{64a} Brackets appear in the original.

be disinclined to undertake additional military ventures where she has reason to believe she would be met with vigorous resistance but will be likely to strike at weak areas capable of being easily conquered.

711.94/2457

*President Roosevelt to the Ambassador in Japan (Grew)*⁶⁵

WASHINGTON, October 30, 1941.

DEAR JOE: I am much interested in the comments contained in your letter of September 22, 1941 ^{65a} in regard to Prince Konoye. It seems a pity that during the time that he was Premier there could not have been rallied in Japan a wider and stronger support for a moderate and peaceful policy.

I also have read with interest the copy, which you enclosed,⁶⁶ of a letter addressed by you to a Japanese friend who had asked for American sympathy and cooperation in the pursuit by Japan of "her legitimate interests and aspirations". It seems to me that in your letter you covered admirably and comprehensively the subject of American attitude toward relations with Japan. I appreciate your having sent me a copy of the letter.

Very sincerely yours,

[FRANKLIN D. ROOSEVELT]

740.0011 European War 1939/16385

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] October 31, 1941.

The British Ambassador called at my request. I first referred to our conversation some days ago in regard to the British request that this Government should notify Japan that it would treat any invasion of the Vladivostok area with special concern and definitely imply military action. I said that the Ambassador would recall my suggestion that as a preliminary matter all the questions involved in the entire program of conquest, as announced many times by the Japanese, should be treated as a whole and not dealt with in any local or limited way, such as by a proposal that, if Japan attacks Siberian Russia, the United States and Great Britain will come to Russia's assistance in the Far East. Instead the question would arise as to whether or not such a movement of aggression by Japan should not for all practical purposes be considered as a general forward movement with respect to the entire

⁶⁵ Draft reply submitted October 30 by the Secretary of State to President Roosevelt.

^{65a} *Ante*, p. 468.

⁶⁶ Not printed.

program of conquest by Japan, which would include the South Sea area. The Ambassador was much pleased with this idea. I was very careful to say that I was not making any proposal, much less an official one, but was bringing up the question for consideration by the Ambassador and his Government. I also made it clear that this Government is not yet making any reply to the British inquiry in regard to coming to the relief of Russia, but that this Government, in dealing with difficult questions of great importance, such as keeping open the port of Vladivostok in order to ship military supplies to Russia, et cetera, is giving attention and consideration to all phases of the Far Eastern situation, keeping in mind, of course, the British suggestion.

C[ORDELL] H[ULL]

740.0011 P. W./620

*Memorandum of Conversation, by Mr. Joseph W. Ballantine*⁶⁷

[Extract]

WASHINGTON, October 31, 1941.

[Here follows report of discussion of ideas presented by Dr. E. Stanley Jones in previous correspondence, with particular reference to New Guinea; Mr. Ballantine and his associate, Mr. Max W. Schmidt, both pointed out the resemblance to "blackmail" of such a proposal and the greater advantage of "opening of certain areas freely to Japanese investment and settlement" through negotiation.]

. . . Dr. Jones brought up again the suggestion that a commission of three to the Far East be appointed, which he had made briefly earlier in the conversation. Mr. Ballantine raised several questions as to what Dr. Jones thought such a commission could accomplish that our present representatives could not, whether such a commission would be able to reach individuals in authority to whom our present representatives do not have access and whether new subject matter not already under discussion could be raised by such a commission. Dr. Jones did not seem to have considered such phases of his suggestion and replied merely that he thought such a step would demonstrate the earnest desire of the United States to find a peaceful solution, would inject new life into the negotiations, and would provide a "cooling off" period. Dr. Jones said he believed when two parties found their respective positions irreconcilably opposed that a third position should be found and that each party should yield something to make agreement on that third position possible. Mr. Ballantine posed the question whether it might not be more desirable in view of Japan's pursuit

⁶⁷ Initialed by the Chief of the Division of Far Eastern Affairs (Hamilton); Dr. E. Stanley Jones was accompanied in his call at the Department by Dr. Orris G. Robinson, Minister of Calvary Methodist Church, Washington, D. C.

of courses other than peaceful to await Japan's suggestion of a third position rather than to put forward our own suggestion with no assurance that it would be acceptable or that it would resolve our difficulties.

Mr. Ballantine, availing himself of a suitable opening, pointed out to Dr. Jones that in the present delicate international situation, the bringing up of proposals, such as the one in regard to New Guinea, with representatives of foreign governments as Dr. Jones had done, was likely to create misapprehension no matter how much Dr. Jones sought to disclaim any purpose of speaking only for himself. Mr. Ballantine pointed out further that weaker nations at the present time were extremely sensitive and nervous over the possibility of their being made the subject of deals between other countries and of being "sold down the river". Mr. Ballantine said that he felt we should by all means avoid saying anything which might give rise to untoward apprehensions on the part of representatives of other governments.

Dr. Jones and Dr. Robinson in departing thanked Mr. Ballantine and Mr. Schmidt for receiving them and Dr. Jones reemphasized his desire to serve merely as a private "catalyst" in efforts to find a peaceful solution of Pacific problems.

793.94/16970 : Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, October 31, 1941—2 p. m.
[Received November 5—3 : 17 a. m.]

334. The following is a summary of a memorandum of remarks to Leighton Stuart by one of his Chinese friends whose opinions on Japanese politics he has learned to respect. Stuart says that this Chinese is in contact with many Japanese leaders and is popularly regarded as a traitor but Stuart feels that he is honestly keeping [*seeking*] the welfare of both Chinese and Japanese.

(Begin summary) : All Japan wishes to end the China affair and from the Japanese point of view the Tojo Cabinet, like the Konoye Cabinet, is organized for peace rather than war. While the Konoye Cabinet was primarily navy, the Tojo Cabinet is primarily army; thus the army which started the China conflict is given a chance to end it. Japan is opportunist and will move either north or south depending on European developments. Only a conviction of real danger of a clash with the United States will stop her. The Tojo Cabinet will continue diplomatic efforts in various directions until next crisis leads to its downfall and succeeding Cabinet will be definitely either more moderate or so remilitaristical [as] seems expedient. Japan's policy has always been to break up China into separate units as most suitable to Japan's desired hegemony. Japan can carry on as at present for an-

other year. As regards the China affair, Japan's main interest is to save her honor (face) and economic gains in North China while a great problem is how to liquidate Wang Ching-wei. A continuance of the present American policy of increasing pressure with sufficient free play to encourage the Liberals while avoiding undue provocation of extremists will ultimately bring Japan to a settlement without war with the United States. (End summary.)

It seems to me that Japan is so deeply entrenched in North China that little faith could be placed in any commitments she might make to give up her economic control of this area, particularly if Japanese troops were permitted to remain in China either temporarily or permanently.

Sent to the Department, repeated to Chungking.

BUTRICK

711.94/2402 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Тоkyo, November 1, 1941—8 p. m.

[Received November 1—12 : 32 p. m.]

1732. For the Secretary and Under Secretary only. In the two meetings which my British colleague has had with the new Foreign Minister, Mr. Togo on both occasions and on his own initiative spoke of the preliminary conversations between the United States and Japan, thereby conveying the impression that that subject is uppermost in his mind.⁶⁸ He indicated pessimism as to a successful outcome of so dilatory a negotiation and said that as a result of his study of the papers relating to the conversations he had derived the impression that the United States Government was not very much interested in securing their speedy conclusion. From his long experience in international negotiations Mr. Togo expressed the view that more progress should have been made in conversations which have lasted six months and he added that time was now a very important factor because in Japan's [*Japan?*] impatience was now taking the place of the hopes originally placed in these conversations. He said that after he had completed his study of the papers a Cabinet meeting would be held to consider the policy of the Japanese Government in connection with the conversations. He feared that a breakdown of the conversations might have repercussions which would affect British interests.

Craigie replied that he felt sure that there had been no deliberate desire in any quarter to drag out the conversations; he understood

⁶⁸ For conversation between Ambassador Grew and Foreign Minister Togo, see memorandum by the Ambassador in Japan, October 30, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 699.

however that the United States Government had been unable to elicit sufficiently definite assurances and undertakings in regard to Japan's future intentions and this might be the cause of the present hitch. He thought the scope of the conversations was so wide that time and patience were obviously necessary to ensure a settlement.

Minister for Foreign Affairs appeared to my colleague to be genuinely anxious about the situation and casting about for some way to prevent a breakdown in the conversations.

GREW

711.94/2459

Memorandum by Mr. John P. Davies, Jr., of the Division of Far Eastern Affairs

[WASHINGTON,] November 3, 1941.

The underlying letter from Mr. C. A. Evans encloses a number of papers prepared by Dr. J. Leighton Stuart, President of Yenching University, Peiping, China.⁶⁹

The second enclosure entitled "The Real Danger in the Pacific" is a particularly penetrating and significant contribution. It is suggested that you read it in its entirety. Interesting passages in this and the other enclosures have been underlined.

Dr. Stuart maintains that "there never has been any serious threat of war between Japan and the United States . . ." ⁷⁰but the fear of this has kept American policies wavering and cautious, thus serving Japanese ends. Their propaganda has exploited this timid reluctance with no slight skill and there undoubtedly has been—as there still is—a large amount of national pride in Japan which might conceivably take a desperate course regardless of consequences. This supplies the element of reality without which all their blustering would have but little force."

In Dr. Stuart's opinion the Japanese, having failed to conquer China by force, through puppets, or through their alliance with the Axis, have only one remaining hope: that the United States "can be dissuaded from interfering with their designs, in which case they might effect a compromise settlement with China and wait again for the opportune time to strike southward or into Siberia." Dr. Stuart

⁶⁹ None printed. In transmitting a digest of these papers to the Under Secretary of State on November 17, the Adviser on Political Relations (Hornbeck) wrote: "Dr. Stuart has, as you know, very good Chinese and Japanese contacts. He has resided during practically the whole of his life up to date in China, where his father and his mother before him were missionaries." A section of the digest, underlined by Dr. Hornbeck in red pencil, stated: "However, 'on one point all Japanese seem to be agreed—that the China War must be ended as soon as possible.' He feels, however, that the Japanese are not yet ready to end this war on terms acceptable to China and the United States."

⁷⁰ Omission indicated in the original.

feels that this procrastination will not only redound to Japan's advantage but will also keep large British, American and Russian forces immobilized in eastern Asia, which forces could be used to great advantage elsewhere.

Dr. Stuart recommends that the American Government—and in such a move he points out it would have the overwhelming support of the American people—demand that Japan make a definite decision without further hesitation whether Japan will abandon its course of aggression. He believes that almost certainly the Japanese decision would be against any hostile action; that such a decision would be a relief to many Japanese; that it would end the "long-continued agonies of the Chinese people and free them for internal reconstruction efforts, from which the whole Pacific area will benefit"; that this solution would release the resources of the democracies for their more difficult task; and that even in the improbable event that this American demand provoked war, the hostilities would thus be revealed as inevitable and something to be disposed of while conditions were comparatively disadvantageous to Japan.

In concluding Dr. Stuart observes that the danger in the present Washington conversations and in further diplomatic measures is not that they might lead to war but rather that they will lead to a "peace" which will be illusory and deceptive.

740.0011 European War 1939/16364 : Telegram

The Secretary of State to the Ambassador in China (Gauss) ⁷¹

WASHINGTON, November 3, 1941—11 p. m.

253. Our Military Attaché at Chungking reports on October 21 ⁷² that "the official Chinese view is that the Japanese will begin an offensive in Eastern Siberia within 2 weeks" (that would be before November 4); and reports on October 23 ⁷³ that the "official view in Indochina is that Japanese intend to attack Thailand about November 15."

In a message received on October 30 from the Generalissimo via T. V. Soong, ⁷⁴ the Generalissimo states that definite information has reached him that the Japanese intend to make an attack on Yunnan in November.

There seems to be a good deal of variety in "the official views" which prevail in the Far East.

⁷¹ Repeated to the Ambassador in Japan as telegram No. 713.

⁷² See telegram from the Military Attaché in China to the War Department, p. 544.

⁷³ Communication not found in Department files.

⁷⁴ See enclosure to letter of October 30 from the Secretary of the Treasury, vol. v, p. 740.

We would like to have an estimate on your part, in consultation with the Military and Naval Attachés, and General Magruder, as to which and how many of these anticipated attacks the Japanese may be about to make.

HULL

711.94/11-441

Memorandum Prepared in the Division of Far Eastern Affairs

[WASHINGTON,] November 4, 1941.

Mr. Wakasugi presented a keen analysis of the situation on which he reported to his government.⁷⁶

I feel moved to call attention especially to his expression of the opinion that the United States is willing to make a settlement only if the conditions are acceptable to it; to his expression of doubt whether the United States will make any concessions from the position which it took in the documents of June 21 and October 2;⁷⁷ his expression of opinion that the United States is not so anxious to enter into an agreement as to be willing to sacrifice any of her "terms"; his belief that Japan should not expect any further counter proposals from us; his opinion that if the Japanese insist upon their freedom of action they must have their minds made up that the negotiations will be terminated and relations be severed; and his recommendation that the new Cabinet lay Japan's cards on the table.

From the telegrams from Tokyo to Washington, I deduce that the Japanese Foreign Minister is deliberately somewhat overemphasizing the gravity of the situation in Japan for psychological effect upon us and the British.

711.94/2540.4

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton)

[WASHINGTON,] November 4, 1941.

Shortly before midnight of November 3 Mr. Dooman, Counselor of our Embassy at Tokyo, telephoned me. He referred to previous telegrams relating to the desire of the Japanese Minister for Foreign Affairs to send a person to the United States to assist Admiral Nomura in the discussions. He said that the Japanese Government wished to

⁷⁶ For memorandum of the Japanese Minister's conversations with the Secretary of State October 16 and 17, in which he promised to report to his Government the American position, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 687. For Mr. Wakasugi's analysis, see intercepted telegram No. 1008, October 29, printed in *Pearl Harbor Attack: Hearings before the Joint Committee on the Investigation of the Pearl Harbor Attack*, 79th Cong., 1st sess., pt. 12, p. 86.

⁷⁷ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 485, 486, and 656.

send Mr. Kurusu. (Note: Saburo Kurusu, formerly Japanese Ambassador to Belgium and later to Germany, returned to Japan some months ago via the United States.) Mr. Dooman said that the Japanese Government wished to have Kurusu depart for the United States as soon as possible; that the Japanese Government inquired whether it would be feasible for arrangements to be made whereby Mr. Kurusu could get passage on the clipper due to leave Hong Kong the morning of November 5, which would entail delaying the departure of the clipper from Hong Kong for about two days, or, alternatively, that Kurusu proceed to Saipan, from Saipan to Guam by a Japanese vessel, probably a destroyer, and board the trans-Pacific clipper at Guam. Mr. Dooman said that they would like to get a reply back within a few hours. I commented that it was midnight here, that it might be very difficult to get in touch with the proper people, and that I did not know whether it would be practicable to do anything on such short notice.

Mr. Dooman then said that Mr. Grew had received from the Japanese Foreign Minister a message to the following effect: Delay in bringing the conversations to a speedy and satisfactory conclusion will only aggravate the situation which is already tense. Please accept this as though it were a message communicated by the Minister of Foreign Affairs to Mr. Hull in person.

Mr. Dooman said that it was urgently hoped that we would give the question of the trip prompt attention. (I am not sure whether this was the American Embassy's hope or the hope of the Japanese Foreign Minister.)

I told Mr. Dooman that we would see what could be done in the matter.

[Here follow details concerning arrangements for Mr. Kurusu's air travel.]

M[AXWELL] M. H[AMILTON]

894.00/1145

The Netherland Legation to the Department of State

The following facts about Japan:

- 1.) Tojo is Minister of War as well as of the Interior under which resorts [*sic*] national defense;
- 2.) One of his first acts was a clean-up of the Police in Tokyo;
- 3.) The choice of the other members of the cabinet who are not politically prominent is to be considered as a superfluous administrative complement of the cabinet;

seem to prove the truth of the following theory: that differences of opinion about foreign policy have not been the real reason for the resigning of the Konoye cabinet. This resignation, however, has been

the immediate consequence of the attack on Minister Hiranuma. The attack on Hiranuma can be considered as part of a large plot to which belonged many of the so-called younger officers and leading men of the Police of Tokyo. The assailant was a member of a secret society, called "The Black Dragon". Their aim was a government which would immediately start military action against Russia and the United States. The Prime Minister and his ministers realized that they were not the people to guarantee control of the younger officers and that only a military man of high authority could control the increasing revolutionary spirit. The new cabinet, nevertheless, is more or less a compromise. The Fascist element has almost found the realization of its desire, i. e. military dictatorship. One may have doubts as to whether they will accept Tojo as a stepping-stone towards the dictatorship they want. Any sign of *rapprochement* on the part of the democracies will give strength to the extremists because it will be explained as weakness on their part and as a proof that the extremists are right and that Japan can strike without danger. Therefore, the best guarantee against Japan's entry into the war remains the undiminished maintenance of economic measures.

WASHINGTON, November 4, 1941.

894.00/1145

Memorandum by the Adviser on Political Relations (Hornbeck) ⁷⁸

[WASHINGTON,] November 5, 1941.

Baron van Boetzelaer ⁷⁹ handed me this paper ⁸⁰ this morning, saying that he had already handed a copy of it to Mr. Dean Acheson. Van Boetzelaer explained, with the help of some questions on my part (!), that it represented in effect an unofficially expressed opinion entertained by and informally communicated from the highest governmental circles in the Netherlands East Indies.

Comment: In my opinion, the statement of facts is approximately accurate and the views expressed in the concluding sentences are sound.

S[TANLEY] K. H[ORNBECK]

711.94/2406

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] November 5, 1941.

The reasoning in this telegram, ⁸¹ as in many which have preceded it, runs to the general effect that, although Japan misbehaves, we must

⁷⁸ Noted by the Secretary of State.

⁷⁹ Minister Counselor of the Netherland Legation.

⁸⁰ *Supra*.

⁸¹ No. 1736, November 3, 1941, 3 p. m., from the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 701.

not apply strong pressures to Japan—because that would probably cause Japan to do things which would bring on war, in which case the fault would be ours; rather, we must conciliate Japan, by making concessions; but, in doing this, we must not recede one inch from our fundamental principles. Mr. Grew says: “It is equally far from my intention for a single moment to advocate so-called ‘appeasement’ on the part of the United States or that our Government should in the slightest degree recede from the fundamental principles which it has laid down as a basis for the adjustment and conduct of international relations including our relations with Japan. Methods may be flexible but with principles there should be no compliance [*compromise*].”

Query (again): Might it not be appropriate for us to ask the Tokyo Embassy to give us *its* concept of what might be the provisions of a “settlement” between the United States and Japan—in harmony with and applying the above.

S[TANLEY] K. H[ORNBECK]

711.94/2421a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, November 5, 1941—7 p. m.

716. The American press has widely circulated a report that the “Foreign Office-controlled *Japan Times and Advertiser*” published on November 5 a sweeping seven-point program of demands which Japan makes of this country for resolving the tense situation in the Pacific. You are authorized in your discretion and if opportune in your contacts with officials of the Foreign Office to offer informal comment along lines as follows:

The *Japan Times and Advertiser* is believed by the interested American public to be the official English language mouthpiece of the Japanese Foreign Office and any comment appearing in that journal is interpreted by many Americans as representing the views of the Japanese Government. The uncompromising and truculent tone of articles of the sort appearing on November 5 lends color to the suspicions of many Americans in regard to Japanese official policies and objectives and considerably strengthens the position of critics of Japan. Accordingly, such articles are not conducive to the creation of conditions of public opinion either in Japan or the United States favorable to an adjustment of relations or solution of common problems between Japan and the United States.

You should, of course, avoid any appearance of attempting to influence articles published by Japanese newspapers and merely indicate to the Foreign Office in a spirit of helpfulness the natural reaction in this country to newspaper articles of that sort.

HULL

711.94/2413 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТокYO, November 5, 1941—11 p. m.
[Received November 5—8: 58 a. m.]

1752. For the Secretary and Under Secretary. Department's 714, November 4, 7 p. m.⁸² As the news of Kurusu's departure for the United States has already leaked from the Foreign Office, the Foreign Office will tonight announce to the press that he is going to Washington to cooperate with Ambassador Nomura in connection with the current conversation.

GREW

740.0011 European War 1939/16438 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТокYO, November 6, 1941—8 p. m.
[Received November 7—12: 45 a. m.]

1759. Department's 713, November 3, 11 p. m.^{82a} The Department will no doubt appreciate the difficulty of our assessing the accuracy of reports from sources with which we are not in contact. The question of the weight which might be attached to such reports depends in considerable measure on the accuracy of previous reports from the same sources, on the degree to which such sources might or might not be interested in the propagating of alarmist reports of movements on the part of Japanese forces, and on other factors. We at this Embassy are constantly on the alert for indications of future Japanese military operations in new theatres, such forecasts as we have made have been substantially accurate, and we will continue to communicate immediately to the Department any developments or credible reports presaging Japanese military operations in new theatres.

With regard to the "second and third" official view cited in the Department's telegram under reference, that Japanese offensive in eastern Siberia would occur by November 4, obviously requires no comment. We have under study the question of Japanese relations with Soviet Russia and we expect to despatch a telegram on this subject in the near future.⁸³

With regard to the first and second "official view" we have ourselves reported to the Department that the Japanese are pressing the French to provide accommodations for an increase to about 75,000 men of the

⁸² Not printed; but see memorandum by the Chief of the Division of Far Eastern Affairs, November 4, p. 566, and Ambassador Grew's memorandum of the same date, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 704.

^{82a} See footnote 71, p. 565.

⁸³ No. 1760, November 7, 1 p. m., p. 1024.

Japanese forces in Tongking. A high Japanese official, apparently by inadvertence, disclosed to me on October 10 that the mission of this large force would be to invade Yunnan from Indochina, to interrupt the sending of supplies to China from Burma. This was probably the plan under consideration at that time, but we must not exclude the possibility that the apparent inadvertence may have been carefully planned as a feint to distract attention from plans for an attack elsewhere. The French Military Attaché in Tokyo ridicules the possibility of a successful attack on Yunnan from Indochina, the character of the terrain precluding any large scale operations, and he affirms that the reinforcements are intended for an attack on Thailand. Our Naval Attaché was recently told by an informant whom he considers trustworthy that the Japanese are prepared to attack Thailand. The Department will recall (Department's 685, October 22, noon ⁸⁴) that it received a substantially similar report which originated from a source thought to be well-informed.

In the absence of tangible evidence of preparations for military operations, such as concentrations of troops and supplies, movements of transports, and so on, the only way in which we can assess the accuracy of reports such as those above cited is to determine whether or not predicted Japanese attacks as of specified future dates in new areas fit in with Japanese political objectives as modified from time to time by changing conditions.

The efforts of Japan to reach an understanding with the United States are clear evidence that the progressive deterioration of her economic and industrial strength is becoming the controlling factor. The recent economic measures taken against Japan by the United States and other countries have made Japan exclusively dependent on her reserves for most of the primary materials necessary for the conduct of war. She has lost the greater part of her foreign trade, her industries are running down, and her financial resources are approaching depletion. If her conflict with China is long continued, her reserves will have become diminished if not exhausted.

Japan today is on the one hand seeking to extricate herself by peaceful means from the position in which she finds herself, and on the other hand preparing, in the event of failure to emerge peacefully from that position, to seize that area which will provide the raw materials which she will most need, notably oil, tin and rubber. The area within which there exist in substantial quantities many of the most important of the primary materials is the Southwest Pacific. Whether or not Japan when confronted with the need for making a decision, will attack in that area is a matter of opinion.

We therefore conclude that undue importance should not be attached to dates specified for future Japanese military operations, but that a

⁸⁴ Not printed.

more reliable indication of the probabilities of Japanese military movements is offered by the progress or failure of the exploratory conversations with the American Government and of other developments in the political field.

The Military Attaché and, in the absence of the Naval Attaché, the Assistant Naval Attaché concur in the above.

The Department may wish to review our 1015, July 17, 11 a. m.⁸⁵ Important developments have since occurred but may, for the considerations put forward in that telegram, well be found relevant in the present circumstances.

GREW

740.0011 European War 1939/16460 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, November 7, 1941—4 p. m.

[Received November 8—2:55 a. m.]

441. Reference Department's no. 253, November 3, 11 p. m. The reports referred to reflect the uncertainty and the division and revision of opinion prevailing in official circles, here, are [*and?*] I have no doubt elsewhere, regarding the problem of anticipating future Japanese military moves.

I doubt whether the Japanese themselves could now say when or where or in what direction they will eventually move, if at all.

Magruder is absent in Burma.⁸⁶ The Military and Naval Attachés and I do not feel that we have sufficiently dependable information at this isolated post to warrant an estimate "as to which and how many of these anticipated attacks the Japanese may be about to make". After consultation, I offer the following comment:

1. The Japanese are obviously prepared for an attack on Siberia but whether and when they make such an attack would seem to depend largely on political developments in eastern Europe and on political and other considerations. Russian opinion here is to the effect that as the season of cold weather advances a large scale attack by the Japanese on Siberia becomes less likely but they might attempt an attack on the Maritime Provinces. I am of the opinion that Japan will endeavor to obtain concessions from Russia, believing that Russia does not desire a clash with Japan on the eastern front and may therefore be willing to come to terms.

2. The Japanese forces now in Indochina are not believed to be sufficiently strong to permit an immediate attack in any direction, but

⁸⁵ *Post*, p. 1006.

⁸⁶ For concurrence by General Magruder with views expressed in this telegram, see telegram No. 460, November 25, 11 a. m., from the Ambassador in China, vol. v, p. 764.

according to reports they are daily being strengthened. Their immediate purpose may be to reform their position in Indochina while operating elsewhere. It is possible however that they are preparing for an attack on Thailand or on Yunnan and possibly an attack on Burma. An attack on Thailand might possibly, and an attack on Burma would certainly, involve Japan in a conflict with Great Britain and perhaps others.

An attack on Yunnan is considered by the Chinese as the logical objective of the Japanese concentration in Indochina. Such a move is less likely to involve Japan with other powers and it would have as its important objective the gutting [*cutting?*] of the Burma Road and China's line of supply. Such an expedition would be difficult and probably costly but it is considered to be feasible, especially with air support. The expedition must operate during the dry season from November to March. Therefore if it is to be undertaken, it should be started in the very near future.

It is regarded as certain that whether or not the Japs embark upon a land expedition into Yunnan to cut the Burma [Road—] and it can be cut effectively only by such a measure [—] the Japanese will establish and maintain a strong air concentration in Northern Indochina to attack the Burma Road and to attack the American volunteer or any other air force entering Yunnan for the protection of the Road. There is not at the moment a heavy Japanese air force concentration in Northern Indochina but it is our understanding that air fields in that area are now being completed and a substantial air force could then reach fields rapidly from outside points.

GAUSS

711.94/2422 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 7, 1941—7 p. m.
[Received November 7—6:54 p. m.]

1765. Department's 716, November 5, 7 p.m. Meeting the Foreign Minister this afternoon informally at the Soviet Embassy's reception, I took occasion to offer the informal comment authorized. I furthermore said that the truculent and aggressive substance and tone of the Japanese press toward the United States at present was, in my personal opinion, doing immense harm to American-Japanese relations.⁸⁷ Mr. Toshi Go, editor of the *Japan Times and Advertiser*, later told me that the Foreign Minister had repeated to him what I had said.

⁸⁷ See also memorandum by the Ambassador in Japan, November 7, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 705.

In the last few days I have said the same thing to several prominent Japanese. Matsumoto, head of Domei, told me tonight, after a similar talk with him, that we may expect an immediate change in the tone of the Japanese press.

GREW

711.94/2423 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 7, 1941—10 p. m.
[Received November 7—8: 14 p. m.]

1768. For the Secretary and Under Secretary. Embassy's 1765, November 7, 7 p. m.

1. Mr. Toshi Go, editor of the *Japan Times and Advertiser*, today told me that he himself had written the editorial in the issue of November 5 on his own responsibility with a view to presenting Japan's maximum demands which he assumed would be far beyond the more moderate proposals to be presented to the United States by the Japanese Government. He, however, told a Japanese informant that he had written the editorial to register disapproval of the secrecy which had surrounded the exploratory conversations in Washington. I told Toshi Go of the great harm to American-Japanese relations which, in my opinion, he had done, and that it seemed to me to be utterly absurd and inconsistent to create such a hostile atmosphere especially at the moment of sending a special emissary to Washington. Toshi Go replied that when he wrote and published the editorial under reference he was not aware of the sending of Kurusu to Washington.

2. Talking informally yesterday with Mr. Bellaire, Tokyo correspondent of the United Press, Mr. Takata, head of *Nichi Nichi*, replied as follows to Bellaire's inquiry whether the present state of tension in American-Japanese relations might lead to the outbreak of hostilities: Japan has no intention of going to war, being unable in the present situation even adequately to supply its troops.

Japan will continue to negotiate with the United States and the only development which might prevent a settlement by a negotiated agreement would be some major German victory which Japan does not now anticipate will occur. With regard to the virulent press campaign against the United States and against the alleged A. B. C. D. economic encirclement of Japan, Takata said that the Japanese Government had turned the campaign on and that it would be up to the Government to turn it off.

GREW

711.94/2427 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 8, 1941—7 p. m.
[Received November 8—9:25 a. m.]

1772. In view of the unrestrained tone of the Japanese press during the past week in its numerous articles devoted to discussion of the United States and foreign policy, it is significant that the flow of invective appears suddenly to have ceased, judging by this morning's newspapers. Aside from one relatively mild editorial in the *Miyako* regarding the Kurusu mission and Japanese-American conversations, the papers confine their comment to subjects which, from our point of view, are quite innocuous.

GREW

740.0011 Pacific War/1104

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] November 8, 1941.

MR. SECRETARY: In the attached memorandum of September 11^{87a} Admiral Stark recommends that unless Japan and Russia should be legally at war we should not acquiesce in any declaration which Japan might issue closing entrance to the Sea of Japan, that we should continue to ship goods to Vladivostok under the United States flag, and that we should provide naval escort for our flag vessels.

Admiral Stark suggests that, if the United States were to decide to acquiesce in such a Japanese declaration, our shipping would need to be diverted to ports other than Vladivostok.

Admiral Stark suggests that if Japan could be made aware of our attitude in advance it might forestall a move by Japan designed to shut off Vladivostok to United States shipping. Keeping in mind the suggestion which you made orally a few days ago that in your conversations with the Japanese Ambassador we might keep before him the fact of this country's serious interest in certain situations and of the consequences which would ensue should Japan take new steps of aggression, it is suggested that you might care, should an opportune occasion arise during the course of your conversations with the Japanese Ambassador, to bring up the importance which this Government attaches to maintenance of the freedom of the seas in the Pacific as well as in the Atlantic and elsewhere and indicate that this question is one of the principal factors in serious concern over Hitler's program. You might indicate that the principle of freedom of the

^{87a} *Ante*, p. 442.

seas ties in closely, in reference to keeping sea lanes open for extending aid to Russia, with this country's self-defense effort, which, as the Ambassador knows, constitutes the major effort and policy of the United States at this time.

It is believed that, while we should probably avoid taking any action at this time which could be construed by Japan as a new and express warning, a useful purpose would be served by presenting the matter to the Japanese Ambassador along the lines indicated.

M[AXWELL] M. H[AMILTON]

711.94/2431 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 10, 1941—7 p. m.

[Received November 10—2:16 p. m.]

1781. Department's 716, November 5, 7 p. m., Embassy's 1765, November 7, 7 p. m. I spoke again today to the Foreign Minister along the line of the second paragraph of the Department's telegram under reference and the Foreign Minister replied that he could categorically assure me that the Foreign Office had no prior knowledge of the editorial. He denied that the Foreign Office exercised that kind of control over the *Japan Times* which the American public apparently believed it did, but he said that in view of the paper's recent editorial he was considering the placing of supervision over material published by the paper. He had suggested in appropriate quarters the undesirability of Japanese papers in general publishing material which would be needlessly provocative to the United States. He then referred to the "violent language" employed by American papers and individuals occupying responsible positions in commenting on Japan, and he said that unless such language could be moderated the papers in this country could not be expected to remain quiet.

I pointed out that whereas the American Government cannot comprise [*control?*] the free expression of opinion the Japanese Government has at its disposal effective means of controlling the press.

GREW

794.00/271

Memorandum by the Chief of the Division of Commercial Policy and Agreements (Hawkins) to Mr. Joseph W. Ballantine

[WASHINGTON,] November 10, 1941.

MR. BALLANTINE: In accordance with your request I have considered the Japanese formula with respect to the principle of non-discrimination. Here are a few ideas on the subject.

1) The implication in the Japanese formula is that they seek special advantages in China because they are denied equal treatment throughout the world. The British have set up an Empire preferential system which makes it difficult for Japanese goods to obtain access to markets comprising a large part of the world's area and population. The British have used their import position to negotiate clearing and payment agreements which affect Japanese trade adversely in other markets. The French obtained preferences for themselves at Japanese expense whenever possible, including French colonies which are neighbors of Japan in the Far Eastern area. Other countries have pursued similar policies at Japanese expense. The United States itself has obtained preferences to the disadvantage of Japan in the Philippines, a Far Eastern neighbor of Japan's. We have obtained preferences for our trade in Cuba, to the detriment of Japanese exporters of textiles and other products. Most countries which negotiate commercial agreements involving reductions and tariff and other trade barriers have either discriminated overtly against Japan by not extending the reductions to Japanese products or covertly by thinly-disguised discriminations in the form of highly specialized tariff classifications. In brief, the formula proposed by Japan, as it was doubtless intended to do, calls at once to mind the fact that Japan's opportunity to trade with the rest of the world has been seriously restricted through the discriminatory practices of foreign powers and the excuse for Japan's efforts to carve out an area of its own where it can find compensation for discriminations suffered elsewhere.

2) The indictment implied in the Japanese proposal has, however, a great deal more cogency in relation to the United Kingdom, France, and other countries than it does to the United States, and the main weakness in the Japanese formula lies in this fact. Japan cannot properly ask us to bring about the reform of world-wide discriminatory practices, for which we are not responsible and over which we have little or no control, as a price of obtaining equality of treatment in China. If they were required to narrow down the indictment to discriminations for which we are responsible, our reply would be more easily formulated and a solution might more easily be found.

3) The terms of the implied Japanese indictment against us can be narrowed down pretty much to the Philippines and Cuba. As regards the former, we have a good answer in view of the plan for eventually putting an end to the Philippine preferences. But we have no very good answer in regard to Cuba. Having thus narrowed down the terms we must face the question whether to try to counter the Japanese position by some trick of drafting (and I can't think of any that will do), or to meet the issue.

4) The issue could be met by telling the Japanese *a*) that we can't be held responsible for all the discriminations in the world but that we

are ready to talk to them about those for which we *are* responsible; *b*) that as regards the Philippines, we have already adopted the policy of eventually eliminating these preferences; that as part of any settlement with Japan we will adhere to this and meanwhile, pending the actual elimination of the preferences, will not create any new ones of any kind; *c*) as regards Cuba we are prepared, as part of a deal with Japan, to renounce all rights to *guaranteed* preferences which *we get* in Cuba; and that our only reasons for not abolishing the preferences *we give* to Cuban products are 1) our present legal obligations to maintain them, 2) the fact that Cuba's economy is so largely dependent on them, and 3) the fact that the products on which Cuba gets preferences in this market are not of any great interest to Japan.

5) From the trade standpoint the benefits obtained would vastly offset the sacrifices we would have to make. Even if we lost the entire Philippine market, its effect on our economy would be small, although particular industries might be hurt somewhat. But the decision has already been made eventually to give up our preferential position in the Philippines and the proposal to Japan would involve nothing new in this respect. In Cuba some of our producers (e. g., cotton textiles and rice) would suffer so far as that market is concerned from the loss of the preferences, but by and large, propinquity and a solid foothold in that market would retain for us a dominant position there (e. g., see position of United States trade in Caribbean countries in which we have no preferences). These small trade losses resulting from the "open door" in Cuba are to be compared with the huge gains resulting from an "open door" in a country like China.

6) Other results of such a move would be to further tremendously the cause of non-discrimination throughout the world. This example might be used by other Governments (e. g., the United Kingdom) as justification for similar moves which they might not otherwise dare to make for fear of political opposition. In this hemisphere the results would, I think, be generally good. Countries which object to the preferences would be more inclined to believe our claim that we grant preferences because of the dependence of Cuba's economy upon them (in view of the vested interests which have been created over the years) if the United States were itself getting nothing out of the arrangement.

7) All this may sound rather drastic but unless we are prepared in the present state of the world to do some really constructive things in the commercial policy field, liberal trade policies are going to be as dead as the dodo and the chance of laying a solid economic basis for peace will be gone. Domestic politics will allow us to do drastic things in the foreign trade field only in times of international emergency like this when the public has been scared into being foreign-policy

minded, and when war-time production and prices make our producer groups less aggressive. Nevertheless, the Administration would have to face severe criticism from a few special interests if the preferences in Cuba were unilaterally abandoned.

8) If, as seems quite likely, the Japanese rejected the offer of the open door in Cuba and the Philippines as payment for the open door in the Pacific area, we would have at least demonstrated concretely our good faith and have put the ball back on their side.

711.94/2540⁺

Documents Prepared in the Division of Far Eastern Affairs ⁸⁸

If, as seems almost certain, there is no possibility at the present time of reaching with Japan a comprehensive settlement covering the entire Pacific area, it is highly probable that after a certain point further efforts to reconcile differences on the essentials of such a comprehensive settlement will lead only to a rupture of the conversations followed by a further and perhaps sudden deterioration of relations. Such a prospect prompts the question whether it might not be possible to propose some tentative or transitional arrangement the very discussion of which might serve not only to continue the conversations pending the advent of a more favorable situation, even if the proposal is not eventually agreed to, but also to provide the entering wedge toward a comprehensive settlement of the nature sought providing the proposal is accepted by Japan and provided further that China is able to obtain satisfactory terms from Japan.

With these thoughts in mind, there is suggested for consideration a proposal along the lines of the attached draft.

It is probable that the Japanese will not agree to the attached proposal as it stands without considerable modification, and it is even more probable that negotiations between Japan and China under these circumstances will come to nothing. Nevertheless, it is hoped that a proposal along the suggested lines might offer a basis which might keep conversations going for some time longer than otherwise, and if accepted by the Japanese might lead to an eventual comprehensive settlement of a nature compatible with our principles.

It is suggested that the foregoing proposal would have more chance of receiving consideration by the Japanese (and of thus gaining time) if it were presented to them before feelings had become further aroused over fruitless discussion of matters we assume will not be agreed upon.

⁸⁸ Drafted November 11 by Joseph W. Ballantine and Max W. Schmidt. Notation on file copy: "Draft suggestions (November 11, 1941) to the Secretary of State. No action was taken on these suggestions. Prepared in FE."

In presenting the proposal to the Japanese we might say that we offer it with reluctance as we realize that it is of a patchwork nature and imperfect, but that we feel that under the circumstances it is better to have something on which we can hope to build in the future than to end with no agreement at all, as would seem to be otherwise inevitable in view of our present divergencies of views on certain fundamentals.

If the Japanese should decline to consider such a proposal we should be no worse off than we otherwise would have been. At the same time, it is believed that by presenting a proposal of this sort, we should make clear on the record our effort to do everything possible to reach a settlement with Japan. If they do consider it, one point on which they would be most likely to seek modifications would be a provision which would enable them to obtain oil sooner than contemplated in the proposal that we offer them.

In regard to that point, it might be possible to work out an arrangement whereby we could allow them to have petroleum in amounts equivalent to amounts of petroleum products released in Japan for normal peacetime consumption. This would make possible the normal functioning in Japan of buses, commercial trucks, taxis and private automobiles as well as Japanese fishing launches and commercial boats and would emphasize to the Japanese public the advantages of conditions of peace.

(DRAFT)

I.

A. The Governments of the United States and of Japan accept joint responsibility for the initiation and conclusion of a mutual understanding and declaration of intention and policy for the resumption of traditional friendly relations.

B. Without reference to specific causes of recent estrangement, it is the sincere desire of both Governments that the incidents which led to the deterioration of amicable sentiment between their countries should be prevented from recurrence and corrected in their unforeseen and unfortunate consequences.

C. It is the earnest hope of both Governments that by cooperative effort, the United States and Japan may contribute effectively toward the establishment and preservation of peace in the Pacific area.

D. Both Governments affirm that their national policies are directed toward the foundation of a lasting peace and the inauguration of a new era of reciprocal confidence and cooperation between the peoples of both countries.

E. Both Governments further affirm that in their national policies they will actively support and give practical application to the follow-

ing fundamental principles upon which their relations with each other and with all other Governments are based :

(1) The principle of inviolability of territorial integrity and sovereignty of each and all nations.

(2) The principle of non-interference in the internal affairs of other countries.

(3) The principle of equality, including equality of commercial opportunity.

(4) The principle of non-disturbance of the *status quo* except as the *status quo* may be altered by peaceful means.

F. Both Governments have agreed that in order to provide stable peace and to eliminate chronic political instability and recurrent economic collapse, they will actively support and practically apply the following principles in their economic relations with each other and with other nations and peoples :

(1) The principle of non-discrimination in international commercial relations.

(2) The principle of international economic cooperation and abolition of extreme nationalism as expressed in excessive trade restrictions.

(3) The principle of nondiscriminatory access by all nations to raw material supplies.

(4) The principle of full protection of the interests of consuming countries and populations through international agreement regulating supply of commodities.

(5) The principle of establishment of such institutions and arrangements of international finance that may lend aid to the essential enterprises and the continuous development of all countries, and may permit payments through processes of trade consonant with the welfare of all countries.

(In drafting the abstract principles on which commitments are to be exchanged, an effort has been made to embody those principles to which it is believed the Japanese are readily willing to agree.)

II.

A. As initial steps toward the implementation and practical application of the fundamental principles agreed upon, both Governments have agreed to take the following measures :

(1) The Government of the United States will suggest to the Governments of China and of Japan that they immediately enter into direct amicable negotiation for a peaceful settlement of their differences.

(In offering to extend advice to the Chinese and Japanese Governments that they enter into direct negotiations for a settlement of their differences, we would not ask the Japanese to tell us their peace terms. We should, therefore, be in a position to tell the Chinese that our suggestion contains no implication of approval of terms which the Japanese might offer ; that we intend to continue our policy of aid to coun-

tries which are victims of aggression; and that if the hostilities should be resumed after the armistice, we shall again extend to China all possible aid. In our approach to the Chinese we should make it clear that following a peaceful settlement with Japan, we should expect to extend in the fullest possible measure material and technical assistance to China during the period of reconstruction.)

(2) The Government of Japan will offer to the Government of China an armistice during the period of amicable negotiation.

(3) The Government of the United States during the course of amicable negotiations between China and Japan under an armistice will hold in abeyance shipment of supplies of a military character to China.

(4) The Government of Japan during the course of amicable negotiations between Japan and China under an armistice will refrain from further reenforcement of its expeditionary forces in China and French Indochina and will hold in abeyance shipment of supplies of a military character to those forces.

(5) The Government of the United States upon the conclusion of a peace settlement between Japan and China will immediately enter into negotiations with the Governments of Japan and of China for the resumption of normal trade relations with those Governments; and will undertake now negotiations with Japan for a resumption in trade and commerce in certain commodities and services other than those essential to warfare with a view to reconstruction of normal peacetime industry in Japan.

(The negotiations with Japan for the resumption of normal trade relations, following a peace settlement between Japan and China, would look to an arrangement whereby trade would be restored according to a graduated scale *pari passu* with the evacuation of Japanese troops from French Indochina and from China and with the re-establishment of nondiscriminatory trade in areas now under Japanese military occupation. For example, there might be provision that with the completion of Japanese evacuation of certain areas such as Indochina or China south of the Yangtze River we might let Japan have certain quantities of desired commodities such as oil and iron.

In the negotiations for an immediate resumption of limited trade in commodities other than war supplies, we should have in mind the dual purpose of setting Japanese factories and shipping facilities to production and services which would aid in meeting our present needs, would assist the transition in Japan from a war to a peace economy, and which would augment the natural popular reaction in favor of peaceful and profitable pursuits. Such a reaction might be expected once hostilities with China have ended and the threat of extended hostilities with the United States somewhat abated. A beginning in this direction might consist of arrangements for the exchange of such Japanese products such as canned crab meat, menthol, camphor, pyrethrum flowers, plaits for hat making, tea and potteries, for American products such as fertilizers, foodstuffs, pharmaceuticals, cotton and tobacco. Arrangements might also be made for the charter of Japa-

nese vessels, if agreeable to Japan, and for the construction of vessels to American order in Japanese shipyards with steel and other material supplied from the United States.)

(6) The Governments of Japan and of the United States mutually guarantee that they will not undertake military offensive operations in any direction in the Pacific area.

I. *Commitments to be given mutually by the Governments of the United States and Japan.*

(a) The Government of the United States and the Government of Japan subscribe to and actively support the following principles and the practical application thereof as the foundation upon which their relations with all other nations are based :

(1) Respect for the territorial integrity and the sovereignty of each and all nations.

(2) Support of the principle of non-interference in the internal affairs of other countries.

(3) Support of the principle of equality, including equality of commercial opportunity.

(4) Non-disturbance of the *status quo* except as the *status quo* may be altered by peaceful means.

(b) The Japanese Government and the Government of the United States hereby mutually pledge themselves that Japanese activity and American activity in the Pacific area shall be carried on by peaceful means and in conformity with the principle of non-discrimination in international commercial relations. In pursuance of this policy, the Japanese Government and the Government of the United States agree to cooperate each with the other toward the creation of conditions of international trade and international investment under which Japan and the United States will have a reasonable opportunity to secure through the trade process the means of acquiring those goods and commodities which each country needs for the safeguarding and the development of its own economy. They furthermore agree to cooperate each with the other especially toward obtaining commercial access, on a non-discriminatory basis, by each of them to supplies of such basic commodities as oil, rubber, tin, nickel, and any other commodity the importation of which is essential to each country for the maintenance of its economic life.

(c) The Governments of the United States and Japan mutually pledge that they will not seek in any part of the Pacific area political expansion in any direction or the acquisition of economic rights, advantages, or preferences by force.

II. *Commitments on the part of the Japanese Government.*

(a) The Japanese Government, following the cessation of hostilities between China and Japan, will withdraw all of its troops immediately from French Indochina.

(b) The Japanese Government will begin at once to put into effect a program for the rapid and progressive restoration of all of the normal activities of nationals of the United States in China and Manchuria and for the progressive relaxation and removal of all restrictions on the activities of nationals of the United States in China which have been imposed directly or indirectly as a result of Japanese military activities in China, and will complete this program as rapidly as possible in order to provide full implementation and practical application of the principle of non-discrimination in international commercial affairs.

III. *Commitments on the part of the Government of the United States.*

The Government of the United States will, *pari passu* with the removal or alterations of those conditions and situations in the Pacific area which gave rise to the taking by it of certain political and economic measures, alter or discontinue those political and economic measures.

711.94/2432 : Telegram

*The Counselor of Embassy in China (Butrick) to the
Secretary of State*

PEIPING, November 11, 1941—4 p. m.

[Received 8 : 55 p. m.]

348. Kurusu takes following program to Washington: (1) Japan abandons Tripartite Pact; (2) Manchukuo for future discussion; (3) distribution Pacific spheres influence; (4) Japan ceases political, military but not [economic] southward expansion; (5) China returns to *status quo ante* prior China incident.

He stated Japanese gendarmes desire sabotage any Washington agreement and have placed above information before German Embassy here.

Foregoing obtained from different fairly reliable local contacts by AP representative who has also informed Assistant Military and Naval Attachés who will doubtless inform their departments.⁸⁹

I was told yesterday by a usually well-informed American that he had been reliably informed that there were two groups of high ranking naval officers, namely, the political to which Admirals Nomura and Toyoda belong and the service to which Admiral Oikawa belongs. Oikawa, then Navy Minister, desired to intercept American oil shipments to Vladivostok and risk war with us but was dissuaded

⁸⁹ The substance of the above report was also transmitted to the Department of State by Capt. R. E. Schuirmann of the Office of Naval Operations on November 13.

by a General Suzuki, presumably President of Cabinet Planning Board.

(Sent to the Department, repeated to Chungking, Shanghai, Tokyo.)

BUTRICK

711.94/2540⁵

The British Embassy to the Department of State

At a recent interview in Tokyo the Japanese Minister for Foreign Affairs told His Majesty's Ambassador that negotiations with the United States had now been proceeding since last April, and that his experience in such matters made him pessimistic about the outcome of so dilatory a process. In the Privy Council impatience was now taking the place of the hopes originally placed in the discussions, and it was therefore highly desirable to discover some way out before feeling became too exacerbated. Matters were being discussed which were of the utmost concern to British interests and Mr. Togo said he was therefore somewhat surprised that His Majesty's Government were taking no part in the discussions. While he could understand that in the early stages we might prefer to leave matters in the hands of the United States Government, a point had now been reached where a breakdown might have repercussions upon British interests. The Minister said he had a strong impression that, for reasons best known to themselves, the United States Government were deliberately dragging out the negotiations. If this were so it would of course be impossible for the Japanese Government to continue them.

Speaking for himself, Sir Robert Craigie told the Japanese Foreign Minister that he felt sure that there had been no desire in any quarter deliberately to drag out the negotiations. But as he understood the position, the United States Government had been unable to elicit sufficiently definite assurances and undertakings in regard to Japan's future intentions, and this might lead to a hitch. The objective under discussion was an ambitious one—namely, the settlement of the situation as a whole—and it was obvious that a task of this magnitude would require time as well as patience on both sides. As regards the attitude of His Majesty's Government towards the negotiations, Sir Robert Craigie suggested that it was one of helpful expectancy, and that while the Foreign Secretary was desirous of seeing a settlement reached which would be just to all the parties concerned, he was equally anxious not to intervene in any manner likely to hamper the discussions between the United States and Japan.

Upon receipt of the above report of his interview with the Japanese Foreign Minister, Sir Robert Craigie was instructed to speak to him as follows.

Although His Majesty's Government are not fully acquainted with the details of the conversations which have been taking place, they are aware that the United States Government have been seeking a basis of discussion with the Japanese Government towards a general settlement in the Far East. The British Government believes such a settlement to be in their own best interests as well as those of Japan and it is their earnest desire that it should be achieved. It cannot be expected however that all the giving should be on the British side, and no advantage is seen in entering upon negotiations unless some basis for discussion can be agreed upon in advance which establishes principles upon which agreement will be sought. The British Government have been content to leave this part of the proceedings in the hands of the United States Government who are well aware of the British position. Moreover the United States Government have assured the British Government (and it is believed that they have so informed the Japanese Government) that should actual negotiations become possible the British Government will at once be consulted. At that point the British Government will be very ready to collaborate with the United States and Japanese Governments in seeking a solution of their joint problems.

Sir R. Craigie was further authorised, at his own discretion, to urge upon the Japanese Government the advantage of a supreme effort to reach agreement with the United States, as against the desperate risks to Japan of allowing a situation to develop in which it might no longer be possible to control the issue of peace or war.

WASHINGTON, November 11, 1941.

711.94/2540,†

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] November 12, 1941.

The British Ambassador called this morning at his request. The Ambassador read to me a memorandum (the text of which is attached herewith)⁹⁰ reporting on a recent conversation between the British Ambassador in Tokyo and the Japanese Minister for Foreign Affairs. I told the Ambassador that, as the Secretary of State had frequently pointed out to the Japanese Government, the British Government would be informed fully of the basis for any projected negotiations between Japan and the United States if the present conversations now in progress gave any definite promise that such negotiations could be undertaken. I communicated to the Ambassador, in that connection,

⁹⁰ *Supra.*

for his information the contents of Ambassador Grew's telegram to the Department of State, No. 1782, November 10, 8 p. m.⁹¹

S[UMNER] W[ELLES]

711.94/2440 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 13, 1941—3 p. m.

[Received November 13—2:06 p. m.]

1796. The following is the substance of a telegram sent to the Foreign Office in London by the British Ambassador in Tokyo reporting his conversation on November 11 with the Minister for Foreign Affairs:

"I spoke to Minister for Foreign Affairs today in the terms of your telegram handing him a note of what I had said to avoid misunderstanding. Minister for Foreign Affairs began by referring to Mr. Churchill's references to Japan in his speech on Monday,⁹² observing that this constituted a 'rather strong warning' to his country in connection with the American-Japanese negotiations. His Excellency could not but regard this statement as unfortunate, particularly as the Prime Minister admittedly did not know the details of the negotiations or the stage which they had now reached. The statement appeared to simplify the matter too much and in any case if the Prime Minister's desire was to facilitate an agreement there were surely other and better ways of doing this. I replied that the Prime Minister had evidently felt that the moment had come when the Japanese Government and people must be left in no doubt as to where we stood. Wars had in the past occurred through misunderstanding and miscalculation and from this point of view there was advantage in clarifying the issues, particularly in view of the threatening language of the Japanese press. Judging from the fragmentary reports of the speech which had reached me, I gathered that the general tone of the references to Japan had been friendly.

2. Turning to the negotiations themselves, the Minister for Foreign Affairs stated that the situation was, for the reasons given me in our last interview, now one of urgency and must 'materialize speedily'. He did not agree that, after nearly seven months of discussion, it was correct to speak of the conversations as still being in the exploratory stage. On the contrary, the Japanese Government regarded them as having assumed the form of negotiations and so informed the United States Government though they had not yet heard their views on this point. The two parties were no longer discussing the meeting but were considering in detail the points for inclusion in instruments which would cover the whole field. The Japanese Government had recently put forward proposals in which they had made their maximum concessions and he earnestly hoped that these would be acceptable to

⁹¹ Not printed, but see memorandum by the Ambassador in Japan, November 10, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 710.

⁹² November 10.

the United States Government. If so the conclusion of an agreement should be possible in a week or ten days—indeed not only possible but necessary. There were only three points now outstanding. Realizing the extent to which British were involved in these discussions, the Japanese Government had expressed the opinion to the United States Government that an agreement with Great Britain should be reached and signed simultaneously with the Japanese-American agreement but had not yet received the United States Government's answer on this point. Clearly the question of the appropriate moment for His Majesty's Government to participate in the discussions was one which primarily concerned the United States and British Governments and it was not for him to make any definite proposal on a point which affected Anglo-American relations. Nevertheless he felt it right that you should realize that the negotiations were no longer in the exploratory stage and that things might hereafter move quickly, particularly in view of the forthcoming session of the Diet.

3. Before leaving I urged upon His Excellency the advantage of a supreme effort being made to bring about an agreement with the United States and added that I could not myself see anything in the situation which demanded so hasty a conclusion of an important negotiation. His Excellency stated no reason for the impatience of the Japanese people but speaking off the record I suggested that the impatience of the Japanese Army would be a more appropriate explanation. The heavy-handed tactics dear to the military mind were not the best suited to a delicate diplomatic situation such as the present and I hoped that His Excellency would do everything in his power to counsel prudence in these quarters which were now seeking to precipitate a crisis."

The text of the note referred to in the first paragraph of the above quoted substance of telegram and the text of the oral urging referred to in the first sentence of the last paragraph thereof are being transmitted to the Department in my immediately following telegram.⁹³

GREW

711.94/2540‡‡

Memorandum by the Chief of the Division of Far Eastern Affairs (Hamilton) to the Secretary of State

[WASHINGTON,] November 13, 1941.

MR. SECRETARY: There are attached for your consideration with a view to possible presentation to the Japanese Ambassador tomorrow copies of documents as follows:

1. A statement in regard to the attitudes of the United States and of Japan to the European war.⁹⁴

⁹³ Not printed. For substance of note, see last paragraph of note of November 11 from the British Embassy in Washington, p. 585; the oral statement was substantially the same as the penultimate paragraph, *ibid.*

⁹⁴ See draft of oral statement dated November 14, p. 591.

2. A statement in regard to non-discrimination in international commercial relations, accompanied by a draft marked "Unofficial, Exploratory, and Without Commitment" of a joint United States-Japanese declaration on economic policy.⁹⁵

3. A statement having reference to the question of the stationing of Japanese troops in China.⁹⁶

It is suggested that in handing to the Japanese Ambassador the proposed statement in regard to the relations of Japan and of the United States toward the European war, you might make oral comment to the Ambassador condemnatory of Hitler's policy of world conquest.

With regard to the "United States-Japanese declaration on economic policy", it is believed that you will wish to have Mr. Pasvolsky,⁹⁷ Mr. Feis,⁹⁸ and Mr. Hawkins⁹⁹ participate in a conference tomorrow morning to discuss the draft in question.

With regard to the statement on the question of the stationing of Japanese troops in China, we feel considerable misgivings about presenting that on this occasion in the light of the Japanese Minister's approach to Mr. Ballantine of today.¹

M[AXWELL] M. H[AMILTON]

711.94/2539½

The Ambassador in Japan (Grew) to the Secretary of State

No. 5969

TOKYO, November 13, 1941.

[Received March 31, 1942.]

SIR: I have the honor to submit herewith Strictly Confidential Fortnightly Background Report No. 3 from the Commercial Attaché for the period from October 27th to November 8th. I entirely concur in Mr. Williams' appraisal of the situation in Japan and in this connection reference is respectfully made to my strictly confidential telegram No. 1736, November 3, 3 p.m.²

Respectfully yours,

JOSEPH C. GREW

⁹⁵ See oral statement and draft document as revised and handed to Japanese Ambassador on November 15, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 734, 736.

⁹⁶ See draft or oral statement of November 14, p. 593; draft of November 13 was "not used".

⁹⁷ Leo Pasvolsky, Special Assistant to the Secretary of State and Chief of the Division of Special Research.

⁹⁸ Herbert Feis, Adviser on International Economic Affairs.

⁹⁹ Harry C. Hawkins, Chief of the Division of Commercial Policy and Agreements.

¹ See memorandum of November 13, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 729.

² *Ibid.*, p. 701.

[Enclosure]

Report by the Commercial Attaché in Japan (Williams)

[Tokyo, November 10, 1941.]

Japan's economic structure cannot withstand the present strain very much longer. For three months no supplies of oil, copper, iron, steel, aluminum and other essential products have been received from abroad. No exact data is available on present stocks of these commodities but from unofficial reports and personal studies of Japan's economy over a period of several years it is firmly believed that on the average the volume of these stocks, with the exception of fuel oil for the Navy, is relatively small—probably adequate to maintain the already unbalanced level of production and consumption for from ten to twelve months. The Navy's supply of fuel oil is generally estimated at sufficient for two years' wartime consumption.

To assure any substantial degree of success in the execution of declared wartime policies Japan's vast economic structure must be continuously nurtured. Her industries must be supplied with innumerable kinds of materials, her people must be fed, her national defenses must be substantially extended and strengthened, her transportation facilities must be improved and maintained, domestic business must be carried on and public utilities must be operated at full capacity. All of these activities demand materials and supplies, and more materials and supplies, and these in an uninterrupted flow. Japan has never even moderately been self-sufficient in these essential materials and supplies but has always leaned heavily upon contributions from the United States and the British Empire. Today these supports have been completely removed and this nation left entirely on its own. Extensive geographical areas have been added to Japan's sphere of influence during the past ten years but these have proven very small donors of vital resources and have permitted only a slight reduction in the nation's dependency upon the United States and Great Britain.

That strenuous efforts have been and are being made to remedy this dangerous situation is all too obvious. It is equally apparent that little real progress has crowned these efforts. Given a period of another ten years some measure of success might be achieved but unfortunately for Japan her problems must be solved immediately.

No nation can erect a wall around its national defense structure. Every phase of national economy must contribute heavily to its development and maintenance. Japan in her present economic position cannot long continue without replenishment the consumption of such large quantities of essential materials in efforts to create a defense force sufficient to withstand the self-inflicted encircling pressure from the United States and Great Britain. The bottom of the barrel is

plainly in sight. She must have access to foreign supplies of oil and other vital products in order to keep her industrial wheels turning. If she cannot obtain these supplies she must accept the inevitable or fight, and the writer firmly believes that the military leaders of Japan decided months ago that it would be far better for the Japanese Army to go down fighting a major power than to withdraw from China for any other reason.

Stripped of all pretense the glaring fact is that Japan has steered her course to the point where she now must choose one of three routes. She must either, (1) Curtail production of all types of goods, conserve her supplies of materials and drift with the current of international developments, or (2) Make an all-out effort to establish her Greater East Asia Co-Prosperity Sphere and finish the China Affair, or (3) Reach some definite understanding with the United States. The first route would mean that in another twelve months Japan's economy would be so weakened she would be unable to forcefully resist any demands imposed by the United States. The second road leads to war and national suicide. The third to the preservation of her Empire, the security of her people and the continuation of her existence as a major world power—but the probable loss of a certain amount of "face".

It appears, therefore, that Japan's present position briefly is this: On the one hand she can exist for say another twelve months on material now in stock and new supplies available within the Empire and her "sphere of influence". At the end of this period, however, the nation will be a weakling from both a military and economic standpoint. On the other hand by pooling her entire resources and taking a desperate gamble on victory in a short "blitzkrieg" she could, from an economic standpoint, wage what might be termed a fairly efficient war for a few months, at the end of which time she would be economically bankrupt. The remaining alternative is to forego her aggressive action in the Far East and "make the best out of a bad bargain."

There are definite signs that most Japanese leaders and very large segments of the people have conclusively abandoned the first alternative. This leaves only two moves, i. e., war or an agreement with the United States. A decision must be made in the very near future. On this decision rests the nation's destiny.

711.94/254033

Draft Statement Prepared in the Division of Far Eastern Affairs

[WASHINGTON,] November 14, 1941.

ORAL

Reference is made to the formula proposed in the Japanese Government's draft of September 25³ for dealing with the attitudes of the

³ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 637.

Government of the United States and of the Government of Japan toward the European war. That formula was as follows:

"Both Governments maintain it their common aim to bring about peace in the world, and, when an opportune time arrives, they will endeavor jointly for the early restoration of world peace.

"With regard to developments of the situation prior to the restoration of world peace, both Governments will be guided in their conduct by considerations of protection and self-defense; and, in case the United States should participate in the European War, Japan would decide entirely independently in the matter of interpretation of the Tripartite Pact between Japan, Germany and Italy, and would likewise determine what actions might be taken by way of fulfilling the obligations in accordance with the said interpretation."

In the statement communicated on November 10 by the Japanese Ambassador to the President of the United States⁴ inquiry was made whether the United States Government is in position to give an assurance that it has no intention of placing too liberal an interpretation on the term "protection and self-defense" that may lead to an abuse of the recognized right based upon it and it was stated that the Japanese Government would be ready to give a similar assurance on the basis of reciprocity.

It is not clear to the Government of the United States what purpose would be accomplished by the adoption of the suggestion indicated nor is it clear what the Japanese Government means by "too liberal an interpretation". It is believed that the attitude of the Government of the United States toward the European war has been made very clear in public statements from time to time by the President, the Secretary of State and other high officials of the Government and in Acts of Congress. It would appear to the Government of the United States that the only ambiguity in the situation arises from the relationship of Japan to Germany and Italy under the Tripartite Alliance. In view of the many statements of a disquieting character that have been made in regard to the purposes of the Tripartite Pact, it is believed, if a beginning is to be made to start the world on a sound course, that it should be made clear that this is to be done on a basis of peace. If the proposed settlement covering the Pacific area can be worked out in regard to other points, it is thought that Japan would find it easier to work out a solution of the question of Japan's relationship to the Axis Powers.

In the statement given to the Japanese Government on October 2 this Government stated that:⁵

"With reference to the attitude of each country toward the European war, this Government has noted with appreciation the further step

⁴ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 715.

⁵ *Ibid.*, pp. 656, 660.

taken by the Japanese Government to meet the difficulties inherent in this aspect of the relations between the two countries. It is believed that it would be helpful if the Japanese Government could give further study to the question of possible additional clarification of its position.”

In view of the considerations mentioned above this Government still feels that such additional clarification would be helpful.

711.94/2540††

Draft Statement Prepared in the Division of Far Eastern Affairs

[WASHINGTON, November 14, 1941.]

ORAL

Reference is made to the proposed formulae for the withdrawal and stationing of Japanese forces in China and Indochina received from the Japanese Ambassador first on November 7 and again on November 10.⁶

This Government when there has come up for discussion the question of the peace terms the Japanese Government may propose to the Chinese Government for a settlement of their differences has believed it desirable, in view of the basic purpose of our discussions, to make an effort to call attention to the intrinsic value of the practical application of certain fundamental broad-gauge principles.

We have also commented that, without desiring to pass upon the merits of specific terms, it would seem desirable to be reasonably sure in advance that any suggestion to the Chinese Government to enter into negotiations with the Japanese Government would be favorably received and would thus contribute to the end in view. We have felt that, in order best to ensure that an approach to the Chinese Government would accomplish its purpose, this Government would want to be in position to reply to any questions of the Chinese Government by pointing out that the terms which the Japanese Government has in mind constitute practical manifestations of the liberal, broad-gauge principles we have discussed.

Consonant with the foregoing, it is suggested that, quite apart from any consideration of the merits of the program or the formula under reference which Japan has now suggested, it would be helpful, in answering questions of the Chinese Government if that Government were approached, to have an indication from the Japanese Government of the tentative program which it proposes to follow in withdrawing its troops from China and French Indochina and in stationing troops in certain areas in China. Such a tentative program, it

⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 709 and 710, 712.

is suggested, might indicate what percentage of Japanese troops at present in China and French Indochina would be withdrawn immediately, what percentage would be withdrawn at subsequent stages, what percentage of Japanese forces now in China would continue to be stationed in China for a limited period, and the probable duration of that period.

Referring to the fact that in its proposals under reference the Japanese Government has included for the first time during the course of the conversations between the Japanese Ambassador and the Secretary of State the Island of Hainan as a place where Japan desires to station its armed forces for an unspecified period, this Government is constrained to observe that, while it had hoped that the Japanese Government would indicate a desire to move as rapidly as possible toward withdrawal of its armed forces from China, the inclusion of Hainan Island would seem to represent a regrettable expansion of the area in which Japan desires to station its troops in foreign territories.

On October 2 this Government pointed out to the Japanese Government that the procedure under which one country already in military occupation of territory of another country proposed to the second country the continued stationing of its troops in certain of the occupied areas as a basic condition for a peaceful settlement and thus for the withdrawal of other occupationary forces would not seem to be in keeping with the progressive and enlightened courses and principles which we have mentioned and for that reason would not, in our opinion, make for peace or offer prospects of stability. We feel, in the light of the experience of this Government, that such a procedure would not be likely to serve the best interests of Japan or of China.

The Secretary of State in conversations with the Japanese Ambassador has frequently referred to the experiences of this Government in its relations with its neighbors in the Western Hemisphere by way of illustrating the values which we feel flow automatically to a country practically applying the principles and broad-gauge programs we have mentioned.

Ten years ago, the United States was not regarded by the peoples and Governments of the other American Republics with particular regard or esteem. Today, the United States enjoys the most friendly relations of its history with these countries. This remarkable change in attitude from one of indifference and even coolness to one of confidence is the result of a scrupulous respect by the United States for the sovereign rights and attributes of the twenty other American Republics and of according full confidence and trust in them to discharge equitably and fully their sovereign responsibilities.

The application of the Good Neighbor Policy has taken many forms. The United States has withdrawn its Marines from Nicaragua⁷ and

⁷ See *Foreign Relations*, 1932, vol. v, pp. 852 ff.

Panama,⁸ abrogated the treaty embodying the so-called Platt Amendment⁹ that gave it the right of intervention in the internal affairs of Cuba by negotiating a new treaty,¹⁰ amended its treaty with Panama to relinquish certain rights of interference,¹¹ eliminated its special privileges with regard to a trans-isthmian canal in Mexico,¹² abandoned its direct financial controls in Haiti¹³ and the Dominican Republic¹⁴ and taken a multitude of other steps large and small.

The day-by-day, year-by-year, functioning of this policy has won the confidence and friendship of each one of the other American Republics. This has meant many benefits, tangible and intangible, for the United States.

In the economic field this policy paved the way for the conclusion of trade agreements with twelve of the other American Republics. The negotiation of these agreements would have been far more difficult—indeed, some of them might never have been concluded with success—were it not for the friendly attitude of those countries which was naturally created by mutual confidence and respect. The foreign trade of the United States with the other American Republics increased from \$573,800,000 in 1932 to \$1,214,830,000 in 1939. Although this expansion in part is attributable to the general world recovery during the period mentioned, a part must also be attributed to the conclusion of the agreements in question, which was, in turn, greatly facilitated by the Good Neighbor Policy.

In the economic field trade restrictions, many of them discriminatory, have been removed so that today United States commerce enjoys unconditionally the treatment of the most-favored-nation. Today, fair and equitable treatment is the rule for United States interests, whereas formerly those interests encountered many stumbling blocks.

The political relations of the United States have also prospered under this policy of fair dealing, cooperation, and mutual accommodation. Since 1933 there have been five important inter-American meetings. At each one of these meetings complex and knotty problems were presented for consideration, were discussed from every point of view, and finally were resolved satisfactorily to all. Every resolution, convention, or treaty adopted at these five meetings was by unanimity.

⁸ Possibly error for Haiti; for withdrawal of Marines from Haiti, see *Foreign Relations*, 1934, vol. v, pp. 293 ff.

⁹ Treaty signed May 22, 1903, *ibid.*, 1904, p. 243.

¹⁰ Treaty signed May 29, 1934, *ibid.*, 1934, vol. v, p. 183.

¹¹ Treaty signed March 2, 1936, Department of State Treaty Series No. 945; or 53 Stat. 1807.

¹² Treaty signed April 13, 1937; see *Foreign Relations*, 1937, vol. v, pp. 699 ff. For text, see Department of State Treaty Series No. 932; or 52 Stat. 1457.

¹³ Executive Agreement signed September 13, 1941, Department of State Executive Agreement Series No. 220; or 55 Stat. (pt. 2) 1348. For correspondence, see *Foreign Relations*, 1940, vol. v, under Haiti, section entitled "Financial Relations Between the United States and Haiti."

¹⁴ Convention signed September 24, 1940; see *ibid.*, Dominican Republic.

The foregoing comment is illustrative of the liberal, progressive and broad-gauge policies and programs which the Government of the United States is convinced offer the only sound hope for stable peace and prosperity and which this Government is also convinced will, if adopted by Japan, bring Japan benefits similar to those which have accrued to the United States.

711.94/11-1441

*Memorandum by Messrs. Joseph W. Ballantine and Max W. Schmidt,
of the Division of Far Eastern Affairs* ¹⁵

[WASHINGTON,] November 14, 1941.

We have noticed that the Japanese Government in its draft presented to the American Ambassador at Tokyo on September 25 ¹⁶ has throughout that document substituted the words "southwestern Pacific area" for the words "Pacific area" as used in our draft of June 21. ¹⁷ For example, we observe that in the preamble, paragraph 6, article 5, the Japanese have substituted the title "Economic Problems in the Southwestern Pacific Area" (underscoring added) for the title in our draft of June 21 "Economic Activity of Both Nations in the Pacific Area" (underscoring added); section V of the Japanese draft of September 25 limits the pledges of both Governments to carry on their economic activities in conformity with the principle of non-discrimination in international commercial relations and by peaceful means to the "Southwestern Pacific Area" (underscoring added); in Section VI of the Japanese draft of September 25 it is stated that both Governments undertake not to resort to any measures or actions which may jeopardize stabilization of the situation "in the Southwestern Pacific Area" (underscoring added).

In our draft of June 21 an effort was made to set forth the basic principles upon which a general settlement of Pacific problems might be reached and the underlying purpose, as we interpret it, of these conversations might be realized, namely, peace in the entire Pacific area. In view of that underlying purpose, Section VI, which was designed to set forth the peaceful intent of both Governments throughout the entire Pacific area represents one of the most important parts of the proposed understanding. For example, in Section VI of our draft of June 21 it was stated that conformably with the controlling policy of the proposed understanding both Governments declared it to be their purpose through cooperative effort to contribute to the main-

¹⁵ An attached notation for the Secretary suggested that he might wish to make remarks to the Japanese Ambassador somewhat along the lines of this draft, but a further notation stated: "Not used."

¹⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 637.

¹⁷ *Ibid.*, p. 486.

tenance and preservation of peace in the Pacific area and both Governments renounced territorial designs in that area; in Section V of our June 21 draft it was stated that the activities of both Japan and the United States in the Pacific Area would be carried on peacefully and in conformity with the principle of non-discrimination in international commercial relations; the title of Section V as given in our draft of June 21 was "Economic Activity of Both Nations in the Pacific Area" (underscoring added).

Does not it appear that the Japanese Government in presenting its redraft of September 25 had in mind a limited program as compared with that which this Government had in mind in presenting its June 21 draft and for that matter continues to have in mind in carrying on these conversations? Would it not be desirable for the Japanese Government before seeking a definitive reply from this Government on the basis of the Japanese proposals of September 25 to make clear whether or not it is the desire of the Japanese Government to limit our discussions and any proposals which may be made during those discussions to a small part of the Pacific area or to include the entire area?

On November 7 and again on November 10 the Japanese Ambassador presented a proposal¹⁸ in which it was stated, *inter alia*, that Japan would accept the application "in all the Pacific areas including China" of the principle of non-discrimination in international commercial relations, "on the understanding that the principle is to be applied uniformly to the rest of the world as well". In Section III of the Japanese draft of September 25 it was stated that economic cooperation between Japan and China following the conclusion of a peace settlement between those two countries would be carried on by peaceful means and in conformity with the principles of non-discrimination in international commercial relations and "also with the principle of especially close relationship which is natural between neighboring countries". If the Japanese draft of September 25 is to stand there would seem to be some discrepancy between the proposal made on November 7 and 10 and the question of economic cooperation between Japan and China as set forth in the proposal of September 25. Before the position of Japan can be clearly understood it would seem to be desirable to have some clarification of this point.

There are, of course, other questions of detail in the Japanese proposals of September 25 which it is believed would need to be worked out but before considering those details it would seem to be best to remove any possibility of misunderstanding on the more basic questions.

The Japanese Minister for Foreign Affairs in a conversation with Ambassador Grew at Tokyo on November 10¹⁹ suggested that if an

¹⁸ *Foreign Relations*, Japan, 1931-1941, vol. II, pp. 700, 710, and 715.

¹⁹ See *ibid.*, p. 710.

agreement should be reached between Japan and the United States a similar agreement should be concluded at the same time between Japan and Great Britain and he suggested that the American Government might be willing to obtain the assent of the British Government to the conclusion of such an agreement. In view of previous intimations from the Japanese Government that it contemplated only a bilateral agreement with the United States we should like to ask what the Japanese Government has in mind in this connection.

The Japanese Minister for Foreign Affairs has raised with Ambassador Grew and Mr. Wakasugi has raised here with Mr. Ballantine the point in regard to whether we have entered into a state of formal negotiations.²⁰ As we have stated on many occasions to the Japanese Ambassador, we consider that our conversations are still in an exploratory stage and that when we consider that we have reached a basis for negotiations we shall expect before entering into such negotiations to talk matters over with the Chinese, British and other interested governments.

740.0011 European War 1939/16775

*President Roosevelt to the President of the Philippine Commonwealth
(Quezon)*

WASHINGTON, November 15, 1941.

MY DEAR PRESIDENT QUEZON: It is with much pleasure and gratification that I have read your letter of October 18, 1941, assuring me of the wholehearted loyalty and support of the Philippine Government and people in whatever the immediate future may hold in store for the Philippines and the United States.

In times such as these it is particularly gratifying to learn of the cordial manner in which you, General MacArthur and Admiral Hart are collaborating in making preparations for the defense of the Philippines.

It is my earnest hope that the contingency for which preparations are being made will never arise. However, in the light of recent history it would be worse than criminal not to be fully prepared for all eventualities, and I wish you to know that your expressions of loyalty and support and the manifestations of cooperation shown by your government and people are highly gratifying and helpful to me and to the American people in these times of uncertainty and danger.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

²⁰ See memoranda of November 12 and 13, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 719, 721 and 729, 730.

711.94/2527

Memorandum by Mr. John F. Stone, of the Office of the Secretary of State

[WASHINGTON,] November 15, 1941.

The War Department has received the following report from the Commanding General at Honolulu:

Mr. Keswick, secretary to Duff Cooper, who traveled from the Far East to the Pacific Coast with Kurusu, and who is continuing on to Washington and London as a courier, states that Kurusu's mission to this country is to confirm reports that the United States Government is not bluffing; that if there is any weakness in our attitude the Japanese Government will continue on its path of aggression in a bigger and better way; but that if Kurusu and his Government are convinced of the strength and determination of the American Government, there is a strong possibility that there will be no further hostile actions on the part of the Japanese Government.

The foregoing was telephoned to me by Colonel Bratton, who suggested the possible advisability of a member of the Department talking with Keswick while he is here in Washington and before he leaves for London.²¹

JOHN F. STONE

711.94/2540H

Memorandum Prepared in the Department of State

POINTS RAISED ORALLY ON NOVEMBER 15 BY THE SECRETARY OF STATE WITH THE JAPANESE AMBASSADOR (NOT INCLUDED IN WRITTEN "ORAL STATEMENT")²²

1. The Japanese, in their proposal of September 25,²³ in the economic sections and in the section in regard to peaceful intent, limit the scope of the agreement to the "southwestern Pacific area". Our draft of June 21²⁴ included the entire "Pacific area".

2. Does not this indicate that the Japanese Government, in presenting its redraft of September 25, had in mind a more limited program than we had and have in mind? Would it not be desirable for

²¹ The Chief of the Division of Far Eastern Affairs (Hamilton) saw Mr. Keswick the same afternoon and was told that his information was based on comment in Manila of a Netherlands East Indies adviser, who added that the Dutch Secret Service "had seen a copy of the Japanese Prime Minister's instructions to Mr. Kurusu"; Mr. Keswick indicated also that "Malaya is overprepared, as contrasted with Burma, which is underprepared."

²² See *Foreign Relations, Japan, 1934-1941*, vol. II, pp. 731 and 734.

²³ *Ibid.*, p. 637.

²⁴ *Ibid.*, p. 486.

the Japanese Government to clarify whether it desires our discussions and proposals to cover the entire Pacific area or a small part thereof before seeking a definitive reply to its proposals by this Government?

3. There are, of course, other questions of detail in the Japanese proposal of September 25 which need clarification.

4. The Japanese have urged an immediate and definitive reply to their proposals and have also urged that a simultaneous agreement be made with Great Britain. These two desires of the Japanese Government would not seem to be consistent.

5. We still consider our discussions with the Japanese to be informal exploratory conversations and not negotiations.

CHAPTER VI: NOVEMBER 15-DECEMBER 7, 1941

Preparation of draft texts of *modus vivendi* under consideration in conversations with Ambassadors Kurusu and Nomura; President Roosevelt's "6 months" suggestion (about November 20); draft for consideration of British, Chinese, Netherlands, and Australian Governments (November 22); revised draft for the four Governments (November 24); President Roosevelt's telegram to Prime Minister Churchill (November 24); Generalissimo Chiang's apprehension and replies from other Governments (November 25); final draft (November 25); Prime Minister Churchill's telegram to President Roosevelt (November 26); Secretary Hull's decision against *modus vivendi* with Japan, President Roosevelt's concurrence, and presentation instead to Japanese Government of basis for "broad agreement covering the entire Pacific area" (November 26); Secretary Hull's explanation of change of plan to representatives of various Governments (November 27) and to Ambassador Grew (November 28); Secretary Hull's warning to British Ambassador as to possibility of war with Japan (November 29); drafts of proposed message to Japanese Emperor (November 29, December 6); President Roosevelt's messages to Japanese Emperor and to Generalissimo Chiang (December 6); final meeting with Ambassadors Nomura and Kurusu (December 7).

711.94/2540‡‡

Memorandum Prepared in the Division of Far Eastern Affairs ²⁵

[WASHINGTON,] November 15, 1941.

With reference to the call which Mr. Kurusu is to make upon you in company with the Japanese Ambassador on November 17, Mr. Kurusu may regard this first call as purely ceremonial and may not wish to initiate any discussion. Should the occasion appear opportune, however, you may wish to offer comments along lines as follows:

(1) We cannot afford to make light of the tremendous seriousness of the present world situation confronting us. I want to repeat and to emphasize what I said to Admiral Nomura on November 10.²⁶ The entire world has been placed in a precarious position as a result of the havoc which has been wrought by the forces of aggression. Our

²⁵ Drafted by Max W. Schmidt and submitted on November 15 by the Chief of the Division (Hamilton) to the Secretary of State "for your consideration".

²⁶ See *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 715, 718.

common sense tells us of the extreme need that the world come back to ways of peace. It is the purpose of this Government to do its best in the spirit of fair play to contribute to establishing a basis for peace, stability, and order in the Pacific area. As a means of achieving these objectives it is essential that emphasis be laid upon giving practical effect to a sound philosophy of human welfare. We have often and quite recently made clear publicly what we have in mind in this regard.

(2) We are fully aware that it may require time for Japan to turn to courses of peace. The American people and Government, especially the President and the Secretary of State, have been very patient. We are ready and willing to continue to be patient, to endeavor to work out a broad-gauge peaceful settlement, and to afford every practicable opportunity to Japan to turn to courses of peace.

(3) It is tremendously important that no statesman and no country miscalculate the attitude and the position of the American people and Government. The American people and Government are fully alive to the sinister menace which all peace-loving countries are facing from Hitlerism and courses of aggression. This country has been slow in arousing itself to the dangers of Hitlerism. Today we are fully aware of those dangers and are thoroughly aroused. Our national effort is primarily and in ever-increasing measure being devoted toward defeat of Hitlerism. We are determined to protect and preserve our national security against Hitlerism.

(4) A victorious Hitler would constitute a menace to all other nations, including Japan. Our opposition to courses of aggression and to the program of Hitlerism stands firm. We are entirely convinced that Hitlerism will be defeated.

(5) We hope that our exploratory conversations will achieve favorable results in the way of providing a basis for negotiations. We shall continue to do our best to expedite the conversations just as we understand that the Japanese Government is anxious to do. We hope that the Japanese Government will make it clear that it intends to pursue peaceful courses instead of opposite courses, as such clarification should afford a way for arriving at the results which we seek.

In view of the general character of these suggested comments no need is perceived of giving the Ambassador a written record of what you say to him.

711.94/11-1541

Memorandum by the Adviser on Political Relations (Hornbeck) ²⁷

Proposal: A truce or standstill agreement whereby the countries actually or potentially engaged in hostilities in the Pacific area under-

²⁷ Pencil notation on file copy: "About Nov. 15?" Another copy of the same paper bears pencil notation: "About November 24, 1941".

take each to refrain for ninety days from any movement or use of armed force against any of the other parties.

It is assumed that along with this proposal there goes proposal of a provision that Japan shall reduce her armed forces in Indochina to the number which she had there on July 26, 1941 and shall not send new contingents of armed forces or matériel to that area.

It is understood that the plan also contemplates an undertaking by the United States to suggest to the Government of Japan and to the Government of China that those governments enter into direct negotiations with a view to ascertaining whether there exists a basis for peaceful settlement of the difficulties existing between them.

It is further understood that the proposal outlined in the first paragraph above is not to be construed as calling for discontinuance by the United States of aid to China.

Comment

It is our belief that if such plan is offered for the consideration of the Japanese Government, the matter should be handled by the Department of State rather than as a project personally put forward by the President to the Emperor.

It is our belief that the Japanese Government would not accept such a plan in its entirety but in all probability would respond with an approach through their Foreign Office suggesting that the project be made a subject of discussion; and that the Japanese Government would contend for a termination of American aid to China or for a very substantial lifting of the restrictions upon exports which are in effect in this country in so far as Japan is concerned, or both, or for cessation of American, British and Dutch defensive preparations in the southern Pacific, or all of these.

It is our belief that if the matter took such a turn, there would result an impairment of the President's prestige and of this Government's position in negotiation and in defense of its position: we would be unable to accept the amendments which the Japanese Government offered and thus would have the onus of failure of the project.

711.94/11-1641

*Draft Prepared in the Division of Far Eastern Affairs*²⁸

OUTLINE OF AN AGREEMENT

1. (a) That Japan shall forthwith desist from any and all offensive military operations: offensive military operations to mean launching of new offensive movements in *any area* and enlargement of Japanese

²⁸ Notation on file copy: "Draft suggestion prepared in FE November 16, 1941. No action was taken on this suggestion."

military establishments at *any points* outside of Japanese territory (among such areas and points being Manchuria, China, Indochina, Thailand, Malaya and insular areas not under Japanese sovereignty or mandate).

(b) That the United States shall within six months relax its embargoes upon trade with Japan.

2. That the two countries shall within six months rescind, reciprocally, their respective freezing regulations and operations, each so far as the other is concerned.

3. (A provision for economic policy—on the lines of the draft of such a provision given to Admiral Nomura on November 15²⁹).

4. That in case Japan embarks upon any further offensive military operations the obligations of the United States under this agreement shall automatically terminate.

794.00/268 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 17, 1941—4 p. m.

[Received November 17—11:06 a. m.]

1811. Foreign Minister's speech (begin summary). Fundamental Japan's foreign policy aims at establishment peace in East Asia based on justice, and as result this policy, Japan has unceasingly developed since Meiji restoration. In past 70 years Japan has faced several crises, and is now endeavoring accomplish new East Asian order as contribution toward world peace. Three Power Pact brought into being because Germany, Italy have similar views, and in little more than year has contributed toward construction new orders [in] Asia and Europe, as well as prevention of spread of war.

Manchukuo's strength is increasing and 13 powers have recognized it. In China, Chungking is being subjugated. Japan['s] policy is to co-operate with China and [upon?] basis treaty concluded for that purpose. Cooperation with Nanking will increase.

In North, Japan has striven to prevent spread of war to East and concluded Japanese-Soviet pact for that purpose. Japan is determined to prevent development [of] peace disturbance factors, and simultaneously to protect rights [and] interests Japan.

In South, Government mediated that Indochina dispute and established economic-political relations with Indochina. Also concluded protocol for joint defense Indochina to meet threat against that country which menaced security Japan. Yoshizawa³⁰ despatched to

²⁹ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 736.

³⁰ Kenkichi Yoshizawa, former Japanese Minister for Foreign Affairs.

draw still closer bonds of friendship. Relations with Thailand also becoming closer.

But third powers disseminate malicious propaganda, accusing Japan of aggression in those regions, and when Japanese troops entered Southern Indochina in accordance defense protocol, Britain, United States regarded step as menace and froze assets which was tantamount rupturing economic relations. They also established encircling positions with cooperation Netherlands Indies, Chungking. Thus international situation increasing in tension and existence Empire affected. Government has exerted utmost efforts preserve peace. Since outbreak China affair, relations with United States deteriorated, which unless checked would end in catastrophe, causing suffering in Pacific and entire world. "Solicitous for peace as ever, the Japanese Government have, since April last, carried on conversations with the Government of the United States with a view to bringing about a fundamental adjustment of the Japanese-American relations. The former Cabinet endeavoured earnestly to reach a successful conclusion of the negotiations, in view particularly of the tension in the situation which had been accentuated since the summer of this year, but an agreement of views was not reached between the two countries.

"The present Cabinet, in order to avert the international crisis and preserve the peace of the Pacific, decided also to continue the negotiations which are still in progress. I regret to say that I have not the liberty of revealing at this juncture the details of the negotiations. But I think an amicable conclusion is by no means impossible if the Government of the United States are, on the one hand, genuinely solicitous for world peace as are the Imperial Government and, on the other, understand Japan's natural requirements and her position in East Asia and consider the situation as it exists there in the light of realities. Moreover, the views of the two countries have generally been made clear through the conversations which have now lasted more than 6 months, and consequently I believe it must be evident to the United States Government that, viewed even from the technical angle, there is no necessity of spending much time on the negotiations hereafter.

"Such being the circumstances, the Japanese Government are bending their best efforts to the successful conclusion of the negotiations, but there is naturally a limit to our conciliatory attitude. Should an occasion arise such as might menace the very existence of the Empire or compromise the prestige of Japan as a great power, it goes without saying that Japan must face it with a firm and resolute attitude. For my part, I am taking charge of the negotiations with a firm resolve regarding this point."

Japan faces unprecedented situation and entire nation must unite. National defense and diplomacy are inseparable, and internal and ex-

ternal politics are counterparts. Never before has there been greater need for mobilizing nation's strength. (End summary).

GREW

711.94/254044

Memorandum by Mr. Joseph W. Ballantine to the Secretary of State

[WASHINGTON,] November 17, 1941.

MR. SECRETARY: In connection with the meeting which will take place with the Japanese on November 18, it is suggested that you may care to bring up the following points:

(1) As Mr. Kurusu knows, we have gone over very exhaustively in our conversations the various questions involved in the proposed settlement between the United States and Japan and have examined these questions from every angle. It will be helpful to have a fresh point of view on the matter and for this reason we would like to hear all the suggestions which Mr. Kurusu may have in mind to offer.

What Mr. Kurusu may have to say in response to your drawing him out in this way might take up most of the time of the meeting. Opportune occasion may arise, however, for you to bring up any or all of the following points:

(2) We have noted the contents of the two documents which the Japanese Ambassador presented on November 17.³¹ In one of these documents the Japanese Government confirms as expressing its general purpose certain excerpts from a statement of the Japanese Government delivered to the President on August 28.³² While we still do not see the need of the qualifying phrases, the statement of the Japanese Government serves to clarify the point that the present Japanese Government's attitude in this respect is the same as that of the previous Japanese Government. In the other document there was expressed the willingness of the Japanese Government to apply the principle of political stabilization to the entire Pacific area and to omit the word "southwestern" in the text of Article VI of its proposal of September 25.³³ We wish to inquire whether the Japanese Government would be willing to omit the word "southwestern" throughout the document.

(3) We shall await with interest the reactions of the Japanese Government to our proposal of November 15 on economic policy.³⁴ We feel that if we can reach agreement on that aspect of a Pacific settlement it will be helpful toward enabling us to dispose of the other outstanding questions.

³¹ *Foreign Relations, Japan 1931-1941*, vol. II, pp. 739 and 740.

³² *Ibid.*, p. 573.

³³ For latter, see *ibid.*, pp. 637, 640.

³⁴ *Ibid.*, p. 736.

(4) The Japanese Minister for Foreign Affairs has on various occasions spoken to the American Ambassador of the latest Japanese proposals as representing material concessions on the part of the Japanese Government and has intimated that this Government was not adopting a concessive attitude. From the outset of our conversations we have talked about a comprehensive and consistent peaceful program. We have neither asked for anything for ourselves nor have we felt that from the long-swing interests of both countries there was any room for compromise on the principles essential to establishing and maintaining such a comprehensive peaceful program. Entirely apart from this aspect of the question, however, it is not clear what the Japanese Government has in mind when it says that its recent proposals represent concessions.

(5) It would be a very fine thing at this time if Japanese industry could be put actively to work in pursuance of the program for the promotion of peace. There are many ways in which, if we could reach an agreement with Japan on the economic program, Japanese factories could be put into operation for the production of commodities needed by the United States and by other peaceful countries in connection with this program. The problem of demobilizing large numbers of armed forces and making room for the men thus demobilized in peaceful pursuits always presents difficulties, but it is felt that the situation now is exceptionally advantageous for such demobilization in view of the great existing need throughout the world for the products of industry.

J[OSEPH] W. B[ALLANTINE]

711.94/25404‡

*Memorandum by the Secretary of the Treasury (Morgenthau)*³⁵

[WASHINGTON,] November 17, 1941.

AN APPROACH TO THE PROBLEM OF ELIMINATING TENSION WITH
JAPAN AND INSURING DEFEAT OF GERMANY

I. FOREWORD

It is becoming increasingly evident that "all out" diplomatic preparedness is as important an instrument of defense as is adequate military preparedness. Military activity may win battles, diplomatic activity can make the fighting of these battles unnecessary; military victories can gain raw material and equipment and can weaken the enemy,

³⁵ Drafted on November 17 by Harry Dexter White, Special Assistant to Mr. Morgenthau. Copy transmitted to the Secretary of State in covering letter dated November 18 by the Secretary of the Treasury, with the statement that the memorandum was being sent to President Roosevelt in a separate letter.

diplomatic victories can achieve similar gains. Without major diplomatic victories Germany could not have attained her spectacular success. Had they not suffered major diplomatic defeats neither England nor France would be in their present predicaments.

An "all out" effort involves in diplomacy as in military strategy the fullest use of every economic and political advantage. Just as our military forces in preparation for an "all out" defense or in actual warfare must make intelligent use of our geographical position, our rich resources, our vast labor power, technical equipment and democratic traditions, so must diplomacy utilize those advantages to the full if it is to have any chance of success.

We are rich—we should use more of our wealth in the interests of peace and victory. We are powerful—we should be willing to use our power before our backs are to the wall. We need no nation's lands—we should make full use of that fact. We keep our national pledges—now is the time that record of integrity should stand us in good stead. We are protected by two oceans—let us exploit that protection while distance is still a potent barrier. We are a democracy—let us take full advantage of the strength of just covenants openly arrived at.

If ever there was a time when diplomacy could secure its most brilliant victories for the United States, now is that time! The longer we wait the less chance will we have to use diplomacy as an aid to our defense. The patterns of relationship jell; plans become irrevocable; opportunities lost are gone forever. A nation committed irrevocably to a course of action loses the power to exercise choice, to accept offers and make conditions.

If the President were to propose something like the appended agreement and the Japanese accept, the whole world would be electrified by the successful transformation of a threatening and belligerent powerful enemy into a peaceful and prosperous neighbor. The prestige and the leadership of the President both at home and abroad would skyrocket by so brilliant and momentous a diplomatic victory—a victory that requires no vanquished, a victory that immediately would bring peace, happiness and prosperity to hundreds of millions of Eastern peoples, and assure the subsequent defeat of Germany!

The proposal is workable and could be spectacularly successful, if Japan could be induced to accept the arrangement, and the great advantages it offers to Japan, and the fact that the likely alternative is war might induce Japan to accept the arrangement.

The proposal is given below only in bare outline and in only enough detail to indicate the essential points. What is most needed at this moment is not a carefully worked out program, but rather a decision to employ an all-out diplomatic approach in the current discussions with the Japanese.

II. SELF-EVIDENT PROPOSITIONS CONCERNING UNITED STATES AND JAPAN

1. War between the United States and Japan would cost thousands of lives, billions of dollars; would leave the vanquished country bitter and desirous of revenge; would foster social disruption, and would not insure peace during our children's lives, nor permanently solve troublesome problems now standing between the two countries.

2. The United States prefers a just and peaceful settlement to war as a means of settling international difficulties, and is willing to go more than half way to settle peaceably the issues that stand in the way of more friendly intercourse between the two countries.

3. The United States recognizes that Japan, because of the special nature of its economy, is greatly in need of opportunities for increased foreign trade, and in need of capital to repair the ravages of four years of warfare, and in need of assured sources of basic raw materials.

4. The United States recognizes that our immigration laws have in fact unjustly discriminated against the Japanese people.

5. The United States believes that in the long run the interests of both the Japanese people and the American people can best be served by establishing fair and peaceful conditions under which Japan and her neighbors can prosper.

6. The United States is rich enough in funds, raw material, equipment, and technical skill to build, if necessary, and maintain a Navy and air force ten times as strong as that which Japan can build, and the United States is, because of numerous circumstances, powerful enough to destroy Japan should the United States be forced against her will to take up arms against Japan.

7. Should Japan force the United States to fight, Japan would have actively arrayed against her not only the United States but the British Empire, Netherlands East Indies, China, and probably Russia. In addition, the peoples of Indo China, Thailand, Manchuria and Korea would become much more difficult for Japan to control. In such a war victory for Japan would be impossible.

8. Defeat of Japan would bring bankruptcy, revolution and chaos in Japan. It would cost Japan her empire and her navy, and leave her a fourth-rate power with little chance of regaining her present world position for decades to come.

9. The United States wishes so much to avoid unnecessary bloodshed and destruction and to attain friendship between the Japanese and the American people, that it will pay well to help Japan's economy back to a peaceful and healthy basis.

10. The United States believes there is no basic obstacle to permanent and more friendly relations between the United States and Japan and believes that the Japanese people will welcome an opportunity to

restore peace, to reconstruct Japan's industry and trade, and to promote friendly relations with her neighbors on a basis fair both to Japan's needs and the needs of her neighbors.

11. The United States wishes to help China maintain her independence and attain peace so that she may go forward in her political and economic development, so unfortunately interrupted a few years ago.

And finally—and of most immediate importance—

12. The United States wishes to concentrate as soon as possible her naval force in the Atlantic so as to be prepared for any emergency against a potential enemy with whom there is no current basis for friendship.

III. PROPOSED AGREEMENT

Because of the foregoing facts, the United States proposes to enter into an Agreement with Japan at once under which the United States and Japan will agree to do certain things, as follows:

A. On her part, the United States Government proposes to do the following:

1. To withdraw the bulk of the American Naval forces from the Pacific.

2. To sign a 20-year non-aggression pact with Japan.

3. To promote a final settlement of the Manchurian question.

4. To actively advocate the placing of Indo-China under the Government of a joint British, French, Japanese, Chinese and American Commission, which will insure most-favored-nation treatment for those five countries until the European War is ended, and which will govern the country primarily in the interests of the Indo-Chinese people.

5. To give up all extra-territorial rights in China, and to obtain England's agreement to give up her extra-territorial rights to China, and give Hong Kong back to China.

6. To present to Congress and push for enactment a bill to repeal the Immigration Act of 1917 [1924] which prohibits immigration into the United States of Japanese, and place the Japanese and the Chinese on the same basis as other peoples.

7. To negotiate a trade agreement with Japan, giving her (*a*) most-favored-nation treatment and (*b*) such concessions on imports as can be mutually satisfactorily arranged, including an agreement to keep raw silk on the free list for 20 years.

8. To extend a \$2 billion 20-year credit at 2 percent interest, to be drawn upon at the rate not to exceed \$200 million a year except with approval of the President of the United States.

9. To set up a \$500 million stabilization fund half supplied by Japan and half by the United States, to be used for the stabilization of the dollar-yen rate.

10. To remove the restrictions on Japanese funds in the United States.

11. To use its influence to the full to attempt to eliminate sources of potential friction between Japan and her neighbors, and to assure Japan access to the raw materials of the world on the same basis as now enjoyed by United States and Great Britain.

B. On its part, the Japanese Government proposes to do the following:

1. Withdraw all military, naval, air police forces from China (boundaries as of 1931) from Indo-China and from Thailand.

2. Withdraw all support—military, political, or economic—from any government in China other than that of the national government.

3. Replace with yen currency at a rate agreed upon among the Treasuries of China, Japan, England and United States all military scrip, yen and puppet notes circulating in China.

4. Give up all extra-territorial rights in China.

5. Extend to China a billion yen loan at 2 percent to aid in reconstructing China (at rate of 100 million yen a year).

6. Withdraw all Japanese troops from Manchuria except for a few divisions necessary as a police force, provided U.S.S.R. withdraws all her troops from the Far Eastern front except for an equivalent remainder.

7. Sell to the United States up to three-fourths of her current output of war material—including naval, air, ordnance and commercial ships on a cost-plus 20 percent basis as the United States may select.

8. Expel all German technical men, military officials and propagandists.

9. Accord the United States and China most-favored-nation treatment in the whole Japanese Empire.

10. Negotiate a 10-year non-aggression pact with United States, China, British Empire, Dutch Indies (and Philippines).

C. Inasmuch as the United States cannot permit the present uncertain status between the United States and Japan to continue in view of world developments, and feels that decisive action is called for now, the United States should extend the above offer of a generous and peaceful solution of the difficulties between the two countries for only a limited time. If the Japanese Government does not indicate its acceptance in principle at least of the proffered terms before the expiration of that time, it can mean only that the present Japanese Government prefers other and less peaceful ways of solving those difficulties, and is awaiting the propitious moment to attempt to carry out further a plan of conquest.

IV. ADVANTAGES TO JAPAN AND UNITED STATES OF SUCH AN AGREEMENT

The advantages accruing to each government are listed below:

A. To the United States

1. In the event that Japan elected to reject the offer of peaceful solution under terms herein indicated, the United States would have a clearer idea of what to expect and would therefore know better how to shape her own policy.

2. Our naval power will be greatly increased at once by the freeing of our Pacific fleet for duty elsewhere.

3. We would be able to send more of our equipment to England and Russia without increasing our vulnerability to an attack from the East.

4. We will have stopped the war in China and have regained for her her freedom.

5. We will have paved the way for a substantial increase in post-war trade.

6. We would greatly strengthen the Allied position vis-à-vis Germany.

7. We will have saved ourselves from a war with Japan.

8. The money it would cost us would be a very small part of what we would save by not having to fight Japan, or by not having to be prepared for a two-ocean war.

9. A prosperous Japan and China can greatly help to restore our normal trade, and thus make easier our own transition to a peace time economy.

10. Insure for ourselves an increased supply of tin, antimony and wood, oil and rubber from the Far East.

11. Handicap Germany in its present military campaign and at the same time give great moral encouragement to the British and Russian people.

12. Finally, military and naval experts who now fear a "two front" naval threat will be more enthusiastic about all-out help to England and Russia. There will be much less cause to oppose the administration's foreign policy.

B. To Japan

1. Instead of being confronted with prospect of a more serious war and certain defeat in the end, she can have peace at once.

2. She can proceed at once to shift from a war economy to peace economy and at the same time experience prosperity rather than a serious depression.

3. She can withdraw from the China incident without loss of "face".

4. She can strengthen her currency and reduce her public debt.

5. Her foreign trade will greatly increase.

6. She can devote her energies and capital to reconstructing Japan, building up Manchuria, and developing new trade possibilities at a time when other countries are engaged in war or preparation for war.

7. She will at one stroke have solved some of her thorniest problems in her international relations.

8. She will avoid the social disruption that is bound to take place in Japan after an expanded and prolonged war effort.

The one danger inherent in the proposed concessions is that if accepted by Japan it would provide her with a breathing space during which she could greatly strengthen her military and economic potential. She might then be a greater threat to us a year or two hence than she is now.

Against that possibility are the following factors:

1. Owing to the scarcity of many raw materials she will not be able to expand her navy and air force during the next year nearly as much as we can—particularly in view of the provision in the agreement that we can buy 80 percent of her current output of armaments.

2. The next two years are crucial for us. If we can obtain the release of the Russian, British and American forces now being tied up in the Far East by Japan's threatening, we will have done more to strengthen United Kingdom and Russia vis-à-vis Germany than we could with a whole year's output of planes and tanks and ships.

3. The Japanese people would be so relieved by the settlement of the China "incident", and the end of the threat of war with major powers, and would be so happy at the cessation of economic strangulation and the emergence of real prosperity, that it is hardly likely that any military clique could stir up significant trouble for years to come.

Altogether, the likelihood of Japan's strengthening her position and re-entering the world scene as a belligerent aggressor in the next few years seems very slim—provided Germany is defeated.

It would, of course, be necessary to obtain Congressional approval before making definite offers, but through preliminary confidential conferences with leaders of both parties and with appropriate committees, the ground could be quickly prepared so that negotiations could go forward.

A completed document could in a week or two be offered to the Japanese Government. The world, including the *Japanese people*, would know the motives and the contents of our offer. If the Japanese Government would not accept, it would have at least the great advantages of (1) clarifying our own policy and rallying support behind the President, (2) create serious division in Japan.

If the Japanese Government were to indicate its tentative acceptance in principle, the President could at once call a conference in Washington to be attended by Chinese, British, Russian, and possibly Dutch

East Indian and Philippine representatives. Inasmuch as all the important concessions are to be made by United States and Japan, the participation of other governments in the conference need not complicate negotiations.

The above-proposed program of mutual concessions can be successful only if certain vital concessions are not left out. If adopted with those concessions peace in the Pacific would be gained, whereas if adopted without them "appeasement" would be the result, the threat of war would not be averted, and an exceptional opportunity to settle the issue on terms favorable to defeat of Germany would be lost.

Minimum concessions to be obtained from Japan should be withdrawal of troops from the mainland of Asia and sale to us of the bulk of her current production of armaments. If we do not achieve this, we shall not obtain any significant relief to allied military forces in the east while we would be making it possible for Japan to strengthen herself for possible later aggression when the situation is more propitious for aggressive acts on her part. The minimum objectives must be to free the American, British and Russian forces from the Pacific.

711.94/11-1741

Memorandum Prepared in the Division of Far Eastern Affairs

[WASHINGTON,] November 17, 1941.

PROPOSAL FOR THE EXCHANGE OF CERTAIN TERRITORIES IN THE PACIFIC
FOR JAPANESE SHIPS

A

Agreement might be reached between the United States and Japan (with the assent of the other countries concerned) along the following lines:

I. Japan to have the right to purchase one or all of the following territories:

- (a) Northern Sakhalin (belonging to the U. S. S. R.)
- (b) Tonking (Northern French Indochina, belonging to the French Government)
- (c) New Guinea
 1. The western part (belonging to the Netherlands)
 2. The southeastern part (Papua) (under the Government of Australia)
 3. The northeastern part (now administered by Australia under a mandate from the League of Nations). (The mandate for this territory might be transferred to Japan, Australia being compensated for a relinquishment of its rights by Japan.)

II. The United States to assist Japan in obtaining funds for the purchase of these territories through a loan of a stipulated part of the purchasing price, the remainder of the purchase price to be found by Japan.

III. Japan to reimburse the United States through the transfer to this Government of merchant ships or possibly warships.

B

Agreement might be reached between the United States, China and Japan providing for the purchase of all or part of Manchuria from China, Japan to obtain the funds from the United States in return for the sale to the United States of ships.

Agreement B might form a part of Agreement A or either might be reached independently.

Either or both of these agreements would of course be reached only in conjunction with an agreement on the part of Japan to withdraw its forces from China, and follow general courses of peace.

Note in regard to Tonking: The armistice agreement of June 22, 1940 between France and Germany apparently contains no provision prohibiting the sale of any of the French colonies.

[Here follows final paragraph same as final paragraph in revised memorandum printed as enclosure to the document, *infra*.]

711.94/2540½

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] November 18, 1941.

MR. SECRETARY: Herewith another idea which might possibly be of constructive value in your discussions with the Japanese Ambassador. The proposal might cause Japan to feel that she was being given sufficient "face" to enable her to agree in good faith to remove all her troops from China.

At first blush the proposal may appear to represent "appeasement". However, Japan would under the proposal sell to the United States ships which we very much need. Also, the sale by Japan of such ships to us at this time would mean a very practical step by Japan away from her Axis alliance with Germany.

The Australians and the Dutch would be perturbed by such a proposal, especially at first glance. However, it is also to their interest that additional shipping be made available to us and that Japan's offensive striking power be lessened.

We would of course have to discuss this with the Australians and the British (and the Dutch if their territory should be involved) *before* making any mention of the proposal to the Japanese.

I send this forward in the light of your request that we explore all possibilities.

M[AXWELL] M. H[AMILTON]

[Annex]

Memorandum Prepared in the Division of Far Eastern Affairs ³⁷

[WASHINGTON,] November 17, 1941.

PROPOSAL FOR THE EXCHANGE OF CERTAIN TERRITORIES IN THE PACIFIC
FOR JAPANESE SHIPS

Agreement might be reached between the United States and Japan (with the assent of the other countries concerned) along the following lines:

I. Japan to purchase New Guinea.

1. The western part (belonging to the Netherlands)

or

2. The southeastern part (Papua) (under the Government of Australia)

or

3. The northeastern part (now administered by Australia under a mandate from the League of Nations). (The mandate for this territory might be transferred to Japan, Australia being compensated for a relinquishment of its rights by Japan.)

or

All three.

II. The United States to furnish funds to Japan for the purchase of these territories.

III. Japan to reimburse the United States through the transfer to this Government of merchant ships or possibly certain categories of naval vessels.

Such an arrangement would of course be reached only in conjunction with an agreement on the part of Japan to withdraw its forces from China and to follow general courses of peace.

³⁷ In a memorandum dated February 5, 1946, Mr. Hamilton and Mr. Ballantine stated that, according to their recollection, "no action was taken" on this document and that "We have consulted Mr. Hull who, according to his best recollection, confirms that no action was taken on the memorandum in question and believes that it did not reach the President."

Note in regard to the mandated territory of New Guinea: Neither the Covenant of the League of Nations nor the text of the Mandate for New Guinea contains any provision with regard to the manner of revocation of a Mandate or the transfer of a Mandate from one mandatory to another. The Mandate for New Guinea provides, however, that the Mandate may be modified with the consent of the Council so it would seem that the Mandate might be transferred in like manner by the Council with the consent of the mandatory. The Council is now in suspension, but if desired, a special session could probably be convened. Alternatively, it would seem that the mandate might be transferred—or sovereignty over the territory might actually be vested in Japan—by the Principal Allied and Associated Powers—that is, the United States, the British Empire, France, Italy, and Japan—these powers having conferred the Mandate for New Guinea upon Australia.

711.94/2467

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 18, 1941.

The British Minister ³⁹ called at my request. I said that I had engaged in a lengthy conference with the two ranking Japanese representatives, including Mr. Kurusu,⁴⁰ who is here for the purpose of carrying on conversations with this Government. I added that the conversation related to the question of a proposed peaceful settlement for the Pacific area. I stated that nothing was agreed upon at this meeting and that the discussion included the subject of two opposing policies—of conquest by force on the one hand and a policy of peace, law and order on the other. I went on to say that the three main points on which we have encountered serious difficulties in former conversations with Ambassador Nomura, namely, the bringing of Japanese troops out of China, the Tripartite Pact and certain phases of commercial policy, were discussed at length; but that the Japanese made no concessions on the troop matter or on the matter of the Tripartite Pact. I told the Minister that the Japanese finally inquired whether a brief temporary partial arrangement could not be worked out that would enable them to improve public sentiment in Japan along the lines of peace rather than of military action. This would also include the idea of Japan's coming out of China. They said while the United States and maybe Great Britain and the Netherlands East Indies, if they should be so disposed on consultation, would to a partial extent relax embargoes on exports to Japan, Japan on its part would correspondingly take steps in the direction of a peaceful

³⁹ Sir Ronald I. Campbell.

⁴⁰ See memorandum of November 18, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 744.

policy and in organizing and educating its public opinion in support of such a policy during the next few months. The Japanese suggested further that the whole question of a general peaceful settlement for the Pacific area would be gradually developed and public opinion in Japan would enable them to meet us more satisfactorily themselves, and presumably satisfactorily to us, on the more difficult questions such as removing their troops from China and the Tripartite Pact. They did not, however, make any definite commitments as to just how far they would comply with our position with respect to these two points.

I said to the British Minister that I had made it clear to the Japanese that if their Government cared to present something on this point, I would give it consideration in the event it appeared to be feasible of consideration, but that I could make no promise, and that if it should be deemed feasible, I would confer with the British, the Dutch, the Chinese and the Australians about any phase of the matter in which they would be interested to which they would give consideration. I also said to the Japanese that, of course, unless Japan decides on a peaceful policy rather than a policy of force and conquest, we could not get far in any kind of discussion but that I could understand why they might need a little time to educate public opinion, as stated.⁴¹

C[ORDELL] H[ULL]

740.0011 European War 1939/16848

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 18, 1941.

The Chinese Ambassador called at my request and I gave him the substance of my statement to the British Minister a few minutes before,⁴² except that I did not refer specifically to the last remarks between me and the Japanese officials about a temporary arrangement such as I described in my talk with the British. This matter was not immediately pertinent to the Chinese angle.

C[ORDELL] H[ULL]

711.94/2528

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] November 18, 1941.

The British Minister, Sir Ronald I. Campbell, called to see me this afternoon at his request.

⁴¹ On November 19 the Secretary of State gave the substance of his statement to the Australian and Netherlands Ministers (711.94/2468, 2469).

⁴² *Supra.*

Sir Ronald gave me a message from Lord Halifax asking whether I considered it desirable for Lord Halifax to have an interview with Mr. Kurusu before he left Washington, or, should Mr. Kurusu intend leaving Washington before Friday, the day of Lord Halifax's expected return from Canada, whether Sir Ronald Campbell should have a talk with him in order that the point of view of the British Government might be made clear to him along lines identical with those taken by Secretary Hull in his conversations.

I replied by saying that I thought it was entirely unlikely that Mr. Kurusu would leave Washington before Friday and that the desirability of the proposed conversation could later be determined in the light of developments which took place in the course of Secretary Hull's conversations with the Japanese envoys.

It was agreed that I would communicate later in the week to the British Embassy our wishes in this regard.

S[UMNER] W[ELLES]

711.94/2463a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, November 18, 1941—10 p. m.

756. For the Ambassador and the Counselor only. On November 18 the Japanese Ambassador and Mr. Kurusu called at their request.⁴³ The Secretary reviewed what he had previously said in regard to the inconsistency between Japan's alignment with the Axis and participation by Japan with us in a peaceful program. He dwelt on Hitler's untrustworthiness, on the likelihood of Hitler's betraying Japan and on the inevitability of a continued strengthening of armaments by the nations unless we had a clear-cut agreement making plain our peaceful purposes. He referred to our efforts to contribute to the establishment of a peaceful world and cited our forthcoming withdrawal from the Philippines and our decision to bring our Marines out of China.⁴⁴ He emphasized our desire to work out a settlement with Japan, but that we have nothing to offer except our friendship in the way of bargaining. He discussed briefly our commercial policy and our efforts to induce other countries to reduce tariff barriers. Referring to the expressed desire of Japanese spokesmen to have a controlling influence in Eastern Asia he emphasized that no controlling influence of any value could be achieved or maintained by force. He reviewed what we have accomplished in South America through our friendly policies.

⁴³ See memorandum of November 18, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 744.

⁴⁴ See vol. V, pp. 554 ff.

The Ambassador tried to draw a parallel between our present relations with Russia and Japan's alignment with Germany but the Secretary replied that although we are not in sympathy with the Soviet ideologies our desire to defeat Hitler renders us desirous of obtaining help wherever we can obtain it.⁴⁵

The Secretary said that he did not know whether we could achieve a satisfactory agreement with Japan but that he felt that it would be better for us to take the consequences of failure to reach an agreement rather than to go beyond a certain point. The Ambassador and Mr. Kurusu kept reverting to the points that the two Governments should now try to do something to tide over the present situation, that it might be possible later on for Japan to come around to a more liberal policy, but that they were unable to promise anything further on the part of their Government at the present time.

The Secretary pointed out that it was important to make a start now with the program of reconstruction and get fundamental principles firmly established for otherwise selfish elements would prevent a liberal policy from being realized and we would be unable to gain the confidence of peace-loving people.

Asked whether the Secretary had a concrete formula in regard to the Japanese-Axis situation, the Secretary said that this was a matter for Japan to work out in some way which would be convincing to the American people.

Pressed further by the Japanese for suggestions the Secretary said that if the Japanese should now veer away from coming out in a clear-cut manner on commercial policy, a course in China in harmony with principles of peace and on the question of Japan's Axis relationship, this Government would be left in an indefensible position if it should attempt to support the proposed settlement.

The Ambassador dwelt on the difficulty of bringing about a rapid change in the course of the Japanese Government and suggested if the situation could now be checked it might be possible gradually to move in the direction of the courses advocated by this Government. Mr. Kurusu spoke of the feeling, which had been caused in Japan by our freezing regulations, that Japan was obliged to fight while it still could. The Secretary asked again whether something could not be worked out by Japan on the Tripartite Pact and what the Ambassador had in mind in regard to the Chinese situation. Only vague and general statements were made by the Japanese in reply to these questions.

⁴⁵ In the memorandum of November 18 as printed in *Foreign Relations, Japan, 1931-1941*, vol. II, p. 744, the following sentence was omitted (p. 745): "The Secretary replied that it is true that we have contempt for communism and are not in sympathy with Soviet ideologies, but the whole question depends upon how anxious one is to defeat Hitler and we need not be too anxious whose support we enlist to help us to do the job."

The Secretary repeated to Mr. Kurusu what he had previously said to the Ambassador about the status of our conversations (See Department's 747, November 15, 10 p. m.⁴⁶). When the Secretary mentioned that the British and other governments had a rightful interest in the problems involved, Mr. Kurusu endeavored to draw the Secretary out on the problems in which each government was interested but the Secretary merely said that he had not discussed the matter with those governments and what he might think would be merely an assumption on his part. Mr. Kurusu said that under the circumstances mentioned by the Secretary the relations between the United States and Japan would be at the mercy of Great Britain and China. The Secretary said that there would be no point in our talking to these other governments until we had obtained something substantial in the way of a basis for an agreement. Mr. Kurusu suggested that the situation was so pressing that it might get beyond control. The Secretary agreed and pointed out that our difficulties were augmented by the announcement by Japanese leaders of programs based upon force.

The Secretary asked how many troops Japan wanted to keep in China. The Ambassador said perhaps about 90 percent would be withdrawn but he did not reply directly to a question as to how long Japan wanted to retain the remaining 10 percent there. The Secretary referred to the fact that the presence of these troops was a source of trouble and mentioned that there was a very large number of cases in which American interests had suffered from them.

The Secretary said that it was incumbent upon the Japanese Government to make an extra effort to take the situation in hand and to find some way of extricating Japan from the difficulty in which it had placed itself. The Secretary adverted to the exceptionally favorable opportunity which was offered at the present time for Japan to put her factories to work to produce goods needed by peaceful countries if only Japan could get invasion and war out of its mind.

The Ambassador observed that our conversations had been protracted and it might be helpful if our Government could give the Japanese some hope as our country was strong and great. The Secretary said that the United States had made no threats, that the Japanese armed forces in China do not seem to appreciate whose territory they are in.

In reply to a suggestion that certain Japanese circles considered that we have been responsible for delay the Secretary said that we could more rightfully accuse the Japanese of delays, that he had consistently been available promptly to the Ambassador, and he referred

⁴⁶ Not printed, but see memorandum, statement, and document of November 15, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 731, 734, and 736.

especially to the interruption caused in our conversations by Japan's movement into Indochina.

Mr. Kurusu asked whether we desired that the *status quo ante* be restored or what we expected Japan to do. The Secretary replied that if Japan was unable to do anything on the three outstanding points we had discussed, he could only leave to Japan the question of what Japan could do. He added that we desired to see Japan contribute to world leadership for a peaceful program and he felt that the long-swing interests of the two countries were identical. The Secretary asked to what extent it would enable Japan to move along peaceful courses if there should be a relaxation of freezing. The Ambassador suggested the possibility of going back to the status existing prior to Japan's move into southern French Indochina. The Secretary commented that if we should adopt some modifications of our freezing on the strength of a measure by Japan such as the Ambassador had suggested, the question might arise whether the Japanese troops withdrawn from Indochina would be diverted to some equally objectionable move elsewhere and he added that it would not be easy for him to persuade this Government to go to any great length in relaxing freezing measures unless this Government could be convinced that Japan had definitely embarked on a peaceful course and had abandoned courses of aggression. The Ambassador said that Japan would go as far as it could along a first step as the Japanese were tired of fighting China.

The Secretary said that he would confer with the Dutch and British to ascertain their attitude toward a suggestion such as that offered by the Ambassador.

HULL

711.94/2540††

Memorandum by Mr. Joseph W. Ballantine to the Secretary of State

[WASHINGTON,] November 19, 1941.

MR. SECRETARY: In case the Japanese should ask you today for further clarification or amplification of the attitude you expressed in response to the suggestion made by the Japanese Ambassador as to whether we could do anything for them in the way of trade should Japan withdraw from Indochina,⁴⁷ it is suggested that you offer comment along lines as follows:

As has been indicated on numerous occasions to the Japanese Ambassador we appreciate the difficult situation with which liberal-minded leaders are faced in Japan in dealing with public opinion and we have indicated also that we are prepared to be patient while the

⁴⁷ See *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 744, 750.

Japanese Government is taking steps to develop a public opinion in favor of a broad-gauge program in the Pacific area such as the one we have been talking about. We have also indicated that this Government would be prepared to be helpful in any appropriate way in assisting the Japanese Government in this matter. By way of assisting toward strengthening the position of the Japanese Government vis-à-vis public opinion, I would be prepared to discuss with the Japanese Government, through you, a proposal for a resumption of limited trade between Japan and the United States as a provisional and tentative measure during the continuance of our conversations provided that the Japanese Government would forthwith desist from augmenting its armed forces in Indochina and forthwith begin withdrawal from Indochina of the forces which it has placed there, undertake to complete that withdrawal as rapidly as possible, and undertake not to use these forces during the continuance of these conversations in offensive military operations anywhere. It would be assumed, of course, by this Government that the statements which have been given by the Japanese Government in regard to its peaceful intentions would still stand.

It is probable that the Japanese Government would not agree to make the withdrawals above referred to unless we would agree to remove entirely our freezing restrictions. If we agree to remove our freezing restrictions, the Japanese should agree reciprocally and simultaneously to remove theirs. FE is of the opinion that it would be worth doing this for the gains that would be achieved. FE would of course not contemplate any alteration of our present export controls.⁴⁹

711.94/254032

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] November 19, 1941.

MR. SECRETARY: There is attached a revision of the proposal which was sent to you by Mr. Morgenthau.⁵⁰ (The proposal still of course needs further revision and elaboration.)

I think that the proposal is the most constructive one which I have yet seen. I have shown the proposal to all of the senior officers of FE, and all of them concur in that view.

⁴⁹ The Adviser on Political Relations (Hornbeck) on November 19 commented as follows: "I have considerable misgiving regarding the advisability of the Secretary's making a commitment of the sort outlined here unless there be coupled with it and it be made contingent upon a promise on Japan's part that the troops which she withdraws from Chungking [*Indochina*] shall not during the continuance of these conversations be used in or toward the launching of any new offensive operations (including operations in and against China)."

⁵⁰ *Ante*, p. 606.

I urge that most careful consideration be given promptly to the proposal. To that end I suggest that copies of the proposal be made available to Admiral Stark and to General Marshall and that you arrange to confer with them in regard to the matter as soon as they have had an opportunity to examine the proposal.

M[AXWELL] M. H[AMILTON]

[Annex]

Draft Document Prepared in the Division of Far Eastern Affairs

OUTLINE OF PROPOSED BASIS FOR AGREEMENT BETWEEN THE UNITED STATES AND JAPAN

A

On its part the Government of the United States proposes to take the following steps:

1. To reduce to a normal footing American naval forces now in Pacific waters, without of course limiting in any way the freedom of action and of decision of the Government of the United States with regard to the disposition of naval forces of the United States.

2. To negotiate a multilateral non-aggression pact with Japan, China, the British Empire, the Netherlands, Thailand and Soviet Russia.

3. To suggest to the Chinese Government and to the Japanese Government that those Governments enter into peaceful negotiations with regard to the future status of Manchuria.

4. To enter into negotiations with the British, Chinese, Dutch, Thai and Japanese Governments for the conclusion of an agreement whereunder each of the Governments would pledge itself to respect the territorial integrity of French Indochina and, in the event that there should develop a threat to the territorial integrity of Indochina, to enter into immediate consultation with a view to taking such measures as may be deemed necessary and advisable to meet the threat in question. Such agreement would provide also that each of the Governments party to the agreement would not seek or accept preferential treatment in its trade relations with Indochina and would use its influence to obtain for each of the signatories most-favored-nation treatment in trade and commerce with French Indochina.

5. To give up all extraterritorial rights in China, including rights and interests in and with regard to the International Settlements at Shanghai and Amoy, and rights under the Boxer Protocol of 1901.

To endeavor to obtain the agreement of the British Government to give up British extraterritorial rights in China, including rights in

international settlements and in concessions and under the Boxer Protocol of 1901.

To use its influence toward causing the British Government to cede Hong Kong to China. (This provision might take the form of an undertaking to use our influence with the British Government to cause the British Government to sell Hong Kong to China, the purchase price to be loaned China by the United States.)

6. To recommend to Congress enactment of legislation to amend the Immigration Act of 1924 so as to place all peoples of all races on a quota basis.

7. To negotiate a trade agreement with Japan, giving Japan (*a*) most-favored-nation treatment and (*b*) such concessions on Japanese imports into the United States as can be mutually satisfactorily arranged, including an agreement to bind raw silk on the free list.

To enter into a joint declaration between the United States and Japan with regard to commercial policy along the lines of the draft handed the Japanese Ambassador on November 15.

8. To extend to Japan a \$2,000,000,000 20-year credit at 2 percent interest, to be drawn upon at the rate not to exceed \$200,000,000 a year except with approval of the President of the United States.

(Note: The United States should be prepared to extend a similar credit to China.)

(Note: This provision presumably would require Congressional approval.)

9. To set up a \$500,000,000 stabilization fund half supplied by Japan and half by the United States, to be used for the stabilization of the dollar-yen rate.

(Note: The United States should be prepared to act similarly in regard to China.)

(Note: This provision may require Congressional approval.)

10. To remove the freezing restrictions on Japanese funds in the United States.

B

On its part the Government of Japan proposes to take the following steps:

1. To withdraw all military, naval, air and police forces from China (excluding Manchuria—see separate provisions) and from Indochina.

2. To withdraw all support—military, political, economic—from any government or regime in China other than the Government of the National Republic of China with capital temporarily at Chungking.

3. To replace with yen currency at a rate to be agreed upon among the Treasuries of China, Japan, Great Britain and the United States all Japanese military scrip, yen and local regime notes circulating in China.

4. To give up all extraterritorial rights in China, including rights in international settlements and concessions and rights under the Boxer Protocol.

5. To withdraw all Japanese troops from Manchuria except for a few divisions necessary as a police force, provided U. S. S. R. withdraws all her troops from the Far Eastern front except for an equivalent remainder.

6. To sell to the United States tons of Japanese merchant shipping, to be delivered to the United States within three months of the signing of the present agreement; also, to sell to the United States up to 50 percent of Japan's current output of shipping, including naval and commercial ships, on a cost-plus-20-percent basis as the United States may select, it being understood that the United States will sell Japan such raw materials as it may be necessary for Japan to import for these purposes.

7. To negotiate a multilateral non-aggression pact with the United States, China, the British Empire, the Netherlands, Thailand and Soviet Russia.

8. To remove the freezing restrictions on American funds in Japan.

711.94/2463 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, November 19, 1941—noon.

[Received 1:18 p. m.]

4136. Reliable information has reached the Embassy to the effect that the sending of Kurusu to Washington has caused embarrassment and resentment to the Japanese Embassy in Berlin and that Ambassador Oshima is insisting to the German Government that Japan intends to go ahead in the south regardless of what Kurusu may arrange in Washington. Oshima is said to believe that the situation is more favorable for Japan now than it will be later and that the United States will not at present do anything to stop a Japanese attack on the Burma Road or the Netherlands East Indies.

These views on the part of the Japanese Ambassador may reflect partly the pains taken by the Germans to impress Japanese circles in Berlin with the magnitude and conclusive character of their victories in Russia but it is possible that he has also been influenced by the realization that any real change of Japanese policy in the direction of moderation would make his personal position difficult both here and at home.

Repeated to Rome and Tokyo.

MORRIS

711.94/2463b : Telegram

The Secretary of State to the Ambassador in China (Gauss)

[WASHINGTON,] November 19, 1941—3 p. m.

273. For the Ambassador only. I asked the Chinese Ambassador to call on November 18 and informed him that I had had a long conference with the two ranking Japanese representatives in regard to the question of the proposed settlement for the Pacific area. I added that nothing was agreed upon although we had discussed two opposing policies—conquest by force and peace, law and order. I told the Ambassador that I had informed the Japanese that we would be glad to consider whatever the Japanese Government cared to present providing it appeared feasible and that should whatever the Japanese Government had to say be considered feasible we would then confer with the Chinese, the Australians, the British and the Dutch on such phases of the matter as would be of interest to those countries. I told the Ambassador that I had emphasized to the Japanese that while I could appreciate Japan's need for time to educate its public opinion it would be impossible for us to make substantial progress in any discussion until Japan decided to follow peaceful courses rather than courses of force and conquest.

HULL

711.94/2540‡‡

*President Roosevelt to the Secretary of State*⁵²

6 months

1. U. S. to resume economic relations—some oil and rice now—more later.
2. Japan to send no more troops to Indo-China or Manchurian border or any place South—(Dutch, Brit. or Siam).
3. Japan to agree not to invoke tripartite pact even if U. S. gets into European war.
4. U. S. to introduce Japs to Chinese to talk things over but U. S. to take no part in their conversations.

Later on Pacific agreements.

⁵² Notation attached to the original: "Pencilled memorandum given by the President to the Secretary of State (not dated but probably written shortly after November 20, 1941)". For draft proposal of a *modus vivendi* handed by Ambassador Nomura to the Secretary of State on November 20, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 755.

711.94/11-2141

Draft Prepared by the Adviser on Political Relations (Hornbeck) ⁵³

OUTLINE OF A POSSIBLE AGREEMENT

The Governments of Japan and the United States undertake to desist from or refrain from any enlargement of their military establishments at any points in the Pacific outside of territories under their respective sovereignties or mandate.

They also agree not to make any armed advancement from points at which they now have military establishments against any neighboring areas.

They agree to cooperate with a view to obtaining and insuring acquisition of goods and commodities which are needed by either of them from sources in third countries for normal and legitimate economic activities.

They undertake reciprocally to rescind within three months their respective freezing regulations and operations, each so far as the other is directly affected thereby.

They declare themselves committed to principles and a procedure of economic policy as follows: [see draft given to Admiral Nomura on November 15 ⁵⁴].

They agree that in case either of them embarks upon military activities inconsistent with the provisions of the first paragraph above, the obligations of the other under this agreement shall automatically terminate.

711.94/11-2141

Draft Document Prepared in the Division of Far Eastern Affairs

[WASHINGTON,] November 21, 1941.

OUTLINE OF PROPOSED BASIS FOR AGREEMENT BETWEEN THE UNITED STATES AND JAPAN

Section I: *Draft Mutual Declaration of Policy*

The Government of the United States and the Government of Japan both being solicitous for the peace of the Pacific affirm that their national policies are directed toward lasting and extensive peace throughout the Pacific area, that they have no territorial designs in that area, that they have no intention of threatening other countries

⁵³ Notation on file copy in red pencil by Dr. Hornbeck to Mr. Hamilton: "Max: A *very* rough new attempt." Pencilled notation: "About Nov. 21?"

⁵⁴ Brackets appear in the original; for draft, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 736.

or of using military force aggressively against any neighboring nation, and that, accordingly, in their national policies they will actively support and give practical application to the following fundamental principles upon which their relations with each other and with all other governments are based :

(1) The principle of inviolability of territorial integrity and sovereignty of each and all nations.

(2) The principle of non-interference in the internal affairs of other countries.

(3) The principle of equality, including equality of commercial opportunity and treatment.

(4) The principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

The Government of Japan and the Government of the United States have agreed that toward eliminating chronic political instability, preventing recurrent economic collapse, and providing a basis for peace, they will actively support and practically apply the following principles in their economic relations with each other and with other nations and peoples :

(1) The principle of non-discrimination in international commercial relations.

(2) The principle of international economic cooperation and abolition of extreme nationalism as expressed in excessive trade restrictions.

(3) The principle of non-discriminatory access by all nations to raw material supplies.

(4) The principle of full protection of the interests of consuming countries and populations as regards the operation of international commodity agreements.

(5) The principle of establishment of such institutions and arrangements of international finance as may lend aid to the essential enterprises and the continuous development of all countries, and may permit payments through processes of trade consonant with the welfare of all countries.

Section II : Steps to be Taken by the Government of the United States and by the Government of Japan, Respectively

A

The Government of the United States proposes to take steps as follows :

1. To effect normal dispositions of American naval vessels now based on Hawaii, it being understood that this does not involve limiting in any way the freedom of action and of decision of the Government of the United States with regard to the disposition of naval forces of the United States.

2. To negotiate a multilateral non-aggression pact with Japan, China, the British Empire, the Netherlands, Thailand and the Soviet Union.

3. To suggest to the Chinese Government and to the Japanese Government that those Governments enter into peaceful negotiations with regard to the future status of Manchuria.

4. To enter into negotiations with the British, Chinese, Dutch, Thai and Japanese Governments for the conclusion of an agreement whereunder each of the Governments would pledge itself to respect the territorial integrity of French Indochina and, in the event that there should develop a threat to the territorial integrity of Indochina, to enter into immediate consultation with a view to taking such measures as may be deemed necessary and advisable to meet the threat in question. Such agreement would provide also that each of the Governments party to the agreement would not seek or accept preferential treatment in its trade or economic relations with Indochina and would use its influence to obtain for each of the signatories equality of treatment in trade and commerce with French Indochina.

5. To give up all extraterritorial rights in China, including rights and interests in and with regard to the International Settlements at Shanghai and Amoy, and rights under the Boxer Protocol of 1901.

To endeavor to obtain the agreement of the British Government to give up British extraterritorial rights in China, including rights in international settlements and in concessions and under the Boxer Protocol of 1901.

6. To enter into negotiations with Japan for the conclusion of a trade agreement between the two countries, based upon reciprocal most-favored-nation treatment and reduction of trade barriers by both countries, including an undertaking by the United States to bind raw silk on the free list.

7. To agree upon a plan for the stabilization of the dollar-yen rate, with the allocation of funds up to \$500,000,000 for this purpose, half supplied by Japan and half by the United States.

8. To remove the freezing restrictions on Japanese funds in the United States.

9. To take steps, upon the conclusion of this agreement and upon the signing of the multilateral nonaggression pact mentioned under item two above, directed toward termination of the Nine Power Treaty relating to Principles and Policies concerning China signed at Washington, February 6, 1922.

B

The Government of Japan proposes to take steps as follows:

1. To withdraw all military, naval, air and police forces from China (excluding Manchuria—see separate provision A-3) and from Indochina.

2. To withdraw all support—military, political, economic—from any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking.

3. To give up all extraterritorial rights in China, including rights in international settlements and concessions and rights under the Boxer Protocol.

4. To enter into discussions with the United States with a view to effecting mutually satisfactory arrangements for the sale or chartering to the United States of such tonnage of Japanese merchant shipping as may be agreed upon; also, for the construction under contract in Japanese shipyards for the United States of vessels, on a cost-plus-twenty-percent basis or such other basis as may be mutually agreeable, it being understood that the United States will sell Japan such raw materials as it may be necessary for Japan to import for these purposes.

5. To negotiate a multilateral non-aggression pact with the United States, China, the British Empire, the Netherlands, Thailand and the Soviet Union.

6. To remove the freezing restrictions on American funds in Japan.

711.94/2540‡‡

The Acting Assistant Chief of Staff (Gerow) to the Secretary of State

WASHINGTON, November 21, 1941.

Subject: Far Eastern Situation.

War Plans Division has made a hasty study from a military viewpoint of your tentative "Outline of Proposed Basis for Agreement Between the United States and Japan,"⁵⁶ and perceives no objection to its use as a basis for discussion. The adoption of its provisions would attain one of our present major objectives—the avoidance of war with Japan. Even a temporary peace in the Pacific, would permit us to complete defensive preparations in the Philippines and at the same time insure continuance of material assistance to the British—both of which are highly important.

The foregoing should not be construed as suggesting strict adherence to all the conditions outlined in the proposed agreement. War Plans Division wishes to emphasize it is of grave importance to the success of our war effort in Europe that we reach a *modus vivendi* with Japan.

War Plans Division suggests the deletion of Par. B.-5. The proposal contained in that paragraph would probably be entirely unac-

⁵⁶ *Ante*, p. 623.

ceptable to Russia. The geographical lay-out in the Manchurian-Siberian area is such that military time and space factors are all in favor of Japan. Furthermore, it would be most difficult to reach an agreement as to what are "equivalent forces" and the measures to be taken to insure that no unauthorized increases are made in those forces. Such an arrangement would increase the vulnerability of the Russian position, particularly in the Maritime Provinces, and at the same time remove the very real threat to Japanese cities of the Russian Air based therein. From the U. S. viewpoint, it is greatly to our advantage to have the possibility of access to Siberian airfields securely guarded by a potential ally.

The paper has been considered as a whole. If major changes are made in its provisions, it is requested that the War Department be given an opportunity to consider the military aspects of such changes.

The Chief of Staff is out of the city and consequently this paper has not been presented for his consideration. War Plans Division believes that he would concur in the views expressed above.

L. T. GEROW
Brigadier General

711.94/2540½

The Chief of Naval Operations (Stark) to the Secretary of State

Op-10 Hu

WASHINGTON, 21 November 1941.

Subject: Comment on "Outline of Proposed Basis for Agreement between the United States and Japan,["] of November 19, 1941.

I respectfully submit the following. Reference is made to similarly numbered sections and paragraphs. Where paragraphs are not mentioned, concurrence is implied.

Par. A-1. Further study of this paragraph confirms the feeling I expressed to you this morning that it is unacceptable. It commits the United States to naval restrictions without imposing compensating naval restrictions on Japan. I think under no circumstances the word "reduce" should be employed, since our naval forces in the Pacific are inadequate and should not have to undergo additional loss of strength. I again note that this paragraph makes no reference to land or air components; I assume this was intentional and of course I wish we could get away with it but I doubt it. If some such paragraph is necessary I suggest a wording approximately as follows:

"Not to increase United States combatant naval (and military) forces in the Philippines".

I included the (and military) in case they bring the point up and we have to acquiesce. I strongly hope that present plans for Army in-

creases in planes, which will be largely carried out by 1 March, could be excluded from any limitation agreement but this too might have to be accepted.

Par. A-5. As I mentioned this morning I just don't like the idea of our buying Hongkong from the British and giving it to China. If this is to be done I think the British at least ought to make this contribution to a cause more important for the British Commonwealth than for the United States. Portugal should likewise give up Macao.

Par. A-8 & 9. This is somewhat out of Navy province but I assume that in view of the present unfavorable financial status it has been considered these two paragraphs should be inserted. I can realize their great importance and the desire to have them form an integral part of any agreement that might be reached.

Par. B-1. Change the period to a comma and add the words "including Hainan, Macao and the islands of the China Sea to the southward of Formosa." This would include among others the highly important Spratley Islands.

Par. B-2. Suggest the following addition to this paragraph:

"To refrain from establishing or supporting any government or regime in Indo-China, other than the regularly established French Government."

This is to make clear our objection to any puppet regime, etc.

Par. B-5. I doubt the usefulness of this paragraph believing that it would prove unacceptable to both Russia and Japan. This morning I expressed it—"If I were a Russian I would not trust them." If good faith could be assured there might be something to it. I believe it might better be left out.

Par. B-6. I confirm my comment this morning. I do not believe Japan could accept it and certainly not with regard to their naval vessels; it would be a humiliating procedure from their standpoint; I would not mention it. There might be some chance of utilization of some of their present shipping if world conditions prevent their full utilization of it. However, this merchant shipping is an integral part of Japan's economic system and was built at great expense and difficulty. At the most the only proposal I would submit would be to buy a specific total of merchant ship tonnage; this might refer only to future construction if present construction could not be obtained. Chartering, as mentioned by some one this morning, might be considered.

General. Not in the paper. The provisions of the paper may be assumed to abrogate the tri-partite treaty on the part of Japan, but if it could be specifically so stated it would be helpful on this side of the water.

793.94/17045

*The Navy Department to the Department of State*⁵⁸

[WASHINGTON,] November 22, 1941.

The following was received from the Assistant Naval Attaché, Shanghai November 21, 1941:

At Woosung military supply base intense activity since 15th. Unusual number ships present including former merchant craft averaging 10,000 tons and up. Wednesday 10 transports sailed 8 of which carried troops. Same day 32 additional similar type anchored lower Whangpoo. Landing boats continue part of outgoing equipment. On decks 3 outbound ships observed number creosoted heavy timber trestles in sections each about 60 feet long, 8 thick and same width. Several vessels apparently recently taken over appear to be completing installation machine gun mounts after arrival here. 1,000 troops departed from Swatow last Saturday.

711.94/2540‡‡

Memorandum by Mr. Joseph W. Ballantine to the Secretary of State

[WASHINGTON,] November 22, 1941.

MR. SECRETARY: With reference to the Japanese proposal of November 20 for a *modus vivendi*⁵⁹ and our memorandum containing suggestions for possible comment that might be made orally to the Japanese in regard to their proposal (copy of which is attached),⁶⁰ there are given below additional suggestions for possible comment:

With reference to item three in regard to cooperation in obtaining from the Netherlands East Indies materials which our two countries need, it is not clear why the Japanese Government desires to limit this proposal to the Netherlands East Indies. It would appear to us that, if the Japanese Government could see its way clear to adopting our proposal in regard to commercial policy, the field for cooperation by the two countries would not be limited to any one area but would extend to the entire world. It would seem to us that the Japanese proposal takes no account of our broad offer which was renewed in very specific terms in the paper which was given to the Japanese Ambassador on November 15.⁶¹ It would seem to us that such a proposal would be open to possible criticism. That is to say that, whereas Japan was insisting on preferential treatment for itself in certain areas, in other areas it was asking for cooperation of the United States in obtaining for Japan the very kind of economic opportunities which Japan was

⁵⁸ Noted by the Secretary of State.⁵⁹ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 755.⁶⁰ *Infra.*⁶¹ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 734, 736.

trying to deny to third countries elsewhere. This Government has consistently advocated broadening the basis of world trade not from any selfish point of view but from the point of view of providing stable peace and elimination of chronic political instability and recurrent economic collapse. Such a program would provide means of raising living standards all over the world, thus promoting the well-being of all peoples.

With reference to the provision that the Government of the United States should supply Japan a required quantity of oil, it may be observed that until very recently the United States was supplying Japan with an ever-increasing amount of petroleum products, even to the extent where there was widespread public criticism in the United States of permitting this to continue. The period since 1937 was marked, on the one hand, by a tremendous increase in imports into Japan from the United States of petroleum products and, on the other hand, according to reports reaching us, by a progressive curtailment in the amounts of oil released in that country for normal peacetime consumption. There is no desire in this country to deny to Japan petroleum products needed for its normal economy, but the increased consumption of American petroleum products in Japan for a military purpose brings to the fore a question which we have called to the attention of the Japanese Ambassador, namely, that the Japanese association with the Axis powers is doing the United States tremendous injury.

With regard to the fifth point in the Japanese proposal, you might wish to emphasize again what you said to the Japanese Ambassador on November 20,⁶² namely, that, when the Japanese complain about our helping China, the public in this country wonders what is underneath the Anti-Comintern Pact; that Japanese statesmen ought to understand that we are helping China for the same reason that we are helping Britain; that we are afraid of the military elements throughout the world led by Hitler; and that the methods adopted by the Japanese military leaders in China are not unlike Hitler's methods. You might then ask what the Ambassador thinks would be the public reaction in this country if we were to announce that we had decided to discontinue aid to Great Britain. You might say that in the minds of American people the purposes underlying our aid to China are the same as the purposes underlying our aid to Great Britain and that the American people believe that there is a partnership between Hitler and Japan aimed at dividing the world between them.

J[OSEPH] W. B[ALLANTINE]

⁶² See memorandum of November 20, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 753, 754.

711.94/2476

*Draft of Proposed "Modus Vivendi" With Japan*⁶³

Strictly Confidential,
Tentative and Without
Commitment

[WASHINGTON,] November 22, 1941.

ORAL

The representatives of the Government of the United States and of the Government of Japan have been carrying on during the past several months informal and exploratory conversations for the purpose of arriving at a settlement if possible of the questions relating to the entire Pacific area based upon the principles of law and order and fair dealing among nations. These principles include the principle of inviolability of territorial integrity and sovereignty of each and all nations; the principle of non-interference in the internal affairs of other countries; the principle of equality, including equality of commercial opportunity and treatment; and the principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

On November 20 the Japanese Ambassador indicated⁶⁴ that the Government of Japan is desirous of going ahead with such a program; that the domestic political situation within Japan is urgent; and that, in order to give the Japanese Government opportunity to develop and promote public sentiment in Japan in support of a comprehensive and liberal program of peace such as has been under discussion between our two Governments, it would be helpful if there could be taken some initial steps toward resumption of trade and normal intercourse between Japan and the United States. At that time the Japanese Ambassador communicated to the Secretary of State proposals⁶⁵ in re-

⁶³ This draft and two later drafts are filed together, with the following notation: "Drafts prepared in FE successively on November 22, November 24, and finally on November 25, 1941, of the so-called '*Modus Vivendi*' proposal to which tentative consideration was given in an exploratory way for a few days. The drafts of November 22 and November 24 were shown to and discussed with representatives of the British, Chinese, Netherlands and Australian Governments by the Secretary. The final draft is the draft of November 25, 1941. The '*Modus Vivendi*' idea was discarded after tentative exploration and was not presented to the Japanese."

The drafts of November 24 and 25 are printed on pp. 642 and 661. This November 22 draft was preceded by other drafts, marked "Not used", three dated November 21 and three dated November 22, none printed (711.94/11-2141, 11-2241).

⁶⁴ See memorandum of November 20, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 753.

⁶⁵ *Ibid.*, p. 755.

gard to measures to be taken respectively by the Government of Japan and by the Government of the United States, which measures are understood to have been designed to create an atmosphere favorable to pursuing the conversations which have been taking place. These proposals contain features which from the point of view of the Government of the United States present difficulties in reference to the broad-gauge principles the practical application of which represents the desires of both Governments as manifested in current conversations. In as much as the Government of the United States desires to contribute to the peace of the Pacific area and to afford every opportunity to continue discussions with the Japanese Government directed toward working out a broad-gauge program of peace throughout the Pacific area, the Government of the United States offers for the consideration of the Japanese Government suggestions as follows:

MODUS VIVENDI

1. The Government of the United States and the Government of Japan, both being solicitous for the peace of the Pacific, affirm that their national policies are directed toward lasting and extensive peace throughout the Pacific area and that they have no territorial designs therein. They undertake reciprocally not to make by force or threat of force, unless they are attacked, any advancement, from points at which they have military establishments, across any international border in the Pacific area.

2. The Japanese Government undertakes forthwith to withdraw its armed forces now stationed in southern French Indochina, not to engage in any further military activities there, including the construction of military facilities, and to limit Japanese military forces in northern French Indochina to the number there on July 26, 1941, which number in any case would not exceed 25,000 and which number would not be subject to replacement.

3. The Government of the United States undertakes forthwith to remove the freezing restrictions which were placed on Japanese assets in the United States on July 26 and the Japanese Government agrees simultaneously to remove the freezing measures which it imposed in regard to American assets in Japan. Exports from each country would thereafter remain subject to the respective export control measures which each country may have in effect for reasons of national defense.

4. The Government of the United States undertakes forthwith to approach the British and the Dutch Governments with a view to those Governments' taking, on a basis of reciprocity with Japan, measures similar to those provided for in paragraph three above.

5. The Government of the United States would not look with disfavor upon the inauguration of conversations between the Government of China and the Government of Japan directed toward a peaceful settlement of their differences nor would the Government of the United States look with disfavor upon an armistice during the period of any such discussions. The fundamental interest of the Government of the United States in reference to any such discussions is simply that they be based upon and exemplify the fundamental principles of peace which constitute the central spirit of the current conversations between the Government of Japan and the Government of the United States.

In case any such discussions are entered into between the Government of Japan and the Government of China, the Government of the United States is agreeable to such discussions taking place in the Philippine Islands, if so desired by both China and Japan.

6. It is understood that this *modus vivendi* is of a temporary nature and shall not remain in effect for a period longer than three months unless renewed by common agreement.

[Annex]

Strictly Confidential,
Tentative and Without
Commitment

[WASHINGTON,] November 22, 1941.

OUTLINE OF PROPOSED BASIS FOR AGREEMENT BETWEEN THE UNITED STATES AND JAPAN

Section I: *Draft Mutual Declaration of Policy*

The Government of the United States and the Government of Japan both being solicitous for the peace of the Pacific affirm that their national policies are directed toward lasting and extensive peace throughout the Pacific area, that they have no territorial designs in that area, that they have no intention of threatening other countries or of using military force aggressively against any neighboring nation, and that, accordingly, in their national policies they will actively support and give practical application to the following fundamental principles upon which their relations with each other and with all other governments are based :

(1) The principle of inviolability of territorial integrity and sovereignty of each and all nations.

(2) The principle of non-interference in the internal affairs of other countries.

(3) The principle of equality, including equality of commercial opportunity and treatment.

(4) The principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

The Government of Japan and the Government of the United States have agreed that toward eliminating chronic political instability, preventing recurrent economic collapse, and providing a basis for peace, they will actively support and practically apply the following principles in their economic relations with each other and with other nations and peoples:

(1) The principle of non-discrimination in international commercial relations.

(2) The principle of international economic cooperation and abolition of extreme nationalism as expressed in excessive trade restrictions.

(3) The principle of non-discriminatory access by all nations to raw material supplies.

(4) The principle of full protection of the interests of consuming countries and populations as regards the operation of international commodity agreements.

(5) The principle of establishment of such institutions and arrangements of international finance as may lend aid to the essential enterprises and the continuous development of all countries and may permit payments through processes of trade consonant with the welfare of all countries.

Section II: Steps to be Taken by the Government of the United States and by the Government of Japan, Respectively

A

The Government of the United States proposes to take steps as follows:

1. To endeavor to conclude a multilateral non-aggression pact with Japan, China, the British Empire, the Netherlands, Thailand and the Soviet Union.

2. To suggest to the Chinese Government and to the Japanese Government that those Governments enter into peaceful negotiations with regard to the future status of Manchuria.

3. To enter into negotiations with the British, Chinese, Dutch, Thai and Japanese Governments for the conclusion of an agreement whereunder each of the Governments would pledge itself to respect the territorial integrity of French Indochina and, in the event that there should develop a threat to the territorial integrity of Indochina, to enter into immediate consultation with a view to taking such measures

as may be deemed necessary and advisable to meet the threat in question. Such agreement would provide also that each of the Governments party to the agreement would not seek or accept preferential treatment in its trade or economic relations with Indochina and would use its influence to obtain for each of the signatories equality of treatment in trade and commerce with French Indochina.

4. To give up all extraterritorial rights in China, including rights and interests in and with regard to the International Settlements at Shanghai and Amoy, and rights under the Boxer Protocol of 1901.

To endeavor to obtain the agreement of the British and other governments to give up extraterritorial rights in China, including rights in international settlements and in concessions and under the Boxer Protocol of 1901.

5. To enter into negotiations with Japan for the conclusion of a trade agreement between the two countries, based upon reciprocal most-favored-nation treatment and reduction of trade barriers by both countries, including an undertaking by the United States to bind raw silk on the free list.

6. To agree upon a plan for the stabilization of the dollar-yen rate, with the allocation of funds up to \$500,000,000 for this purpose, half to be supplied by Japan and half by the United States.

7. To remove the freezing restrictions on Japanese funds in the United States.

8. To take steps, upon the conclusion of this agreement and upon the signing of the multilateral non-aggression pact mentioned under item one above, directed toward termination of the Nine Power Treaty relating to Principles and Policies concerning China signed at Washington, February 6, 1922.

B

The Government of Japan proposes to take steps as follows:

1. To withdraw all military, naval, air and police forces from China (excluding Manchuria—see separate provision A-2) and from Indochina.

2. To withdraw all support—military, political, economic—from any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking.

3. To give up all extraterritorial rights in China, including rights in international settlements and concessions and rights under the Boxer Protocol.

4. To endeavor to conclude a multilateral non-aggression pact with the United States, China, the British Empire, the Netherlands, Thailand and the Soviet Union.

5. To remove the freezing restrictions on American funds in Japan.
6. To agree that the provisions of the treaty concluded on September 27, 1940 among Japan, Germany and Italy shall not be interpreted by Japan in such a way as to conflict with the fundamental purpose of this agreement, the establishment and preservation of peace throughout the Pacific area.

711.94/2475

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 22, 1941.

The British Ambassador, the Australian Minister and the Netherlands Minister called at my request, the Chinese Ambassador joining us later on. I enumerated the high points in the conversations which I have been carrying on with the Japanese officials here since the spring of this year. They are fully set forth in records of my conversations during that time and need not be repeated here.

I concluded with an account of the Japanese proposal for a *modus vivendi*.⁶⁷ I showed it to them to read, with the exception of the Chinese Ambassador who had not yet arrived, and then proceeded to outline my proposed reply in the nature of a substitute for the Japanese proposal. There seemed to be general agreement that a substitute was more desirable than a specific reply to the Japanese proposal, section for section. The substitute reply was substantially what is contained in the present final draft,⁶⁸ which I am considering handing to the Japanese. Each of the gentlemen present seemed to be well pleased with this preliminary report to them, except the Chinese Ambassador, who was somewhat disturbed, as he always is when any question concerning China arises not entirely to his way of thinking. This reaction on his part is very natural. He did not show serious concern in view of the provision in our proposed *modus vivendi* which would block a Japanese attack on China in order to destroy the Burma Road. He inquired whether this would commit the Japanese not to further invade China during the coming three months, to which I replied in the negative, adding that this was a question to be decided under the permanent agreement now receiving attention. I made it clear that this proposal was made by the Japanese and that there was probably not one chance in three that they would accept our reply even though it does provide that this proposed temporary arrangement constitutes a part of the general conversations looking toward a general agreement on the basic questions.

C[ORDELL] H[ULL]

⁶⁷ November 20, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 755.

⁶⁸ *Supra*.

711.94/2544

Memorandum of Conversation, by the Assistant Chief of the Division of Far Eastern Affairs (Mackay) ⁶⁹

[WASHINGTON,] November 22, 1941.

Participants: Dr. E. Stanley Jones
Reverend O. G. Robinson
Mr. O. K. Armstrong
Mr. Mackay

Dr. Jones, accompanied by Reverend Robinson and Mr. Armstrong, called at the Department at their request and were received by Mr. Mackay.

Dr. Jones said that he had recently conversed with Mr. Terasaki (First Secretary of the Japanese Embassy), who had offered comment in regard to American-Japanese relations which he (Dr. Jones) wished to make known to the Department; that, in brief, Mr. Terasaki had said that Japan, like any other nation engaged in a protracted war, is psychologically "abnormal" and a "little off" in its thinking; that as compensation for its great effort Japan must show some gain; that in fact, Japan is steadily growing weaker; that time is working in favor of the United States and that therefore, according to the "War Party", Japan must strike soon; that the crux of the problem lies in what in effect is an American "embargo"; that within the field of commodities subject to restriction, petroleum is by far the most important item; that the "embargo" should be lifted at least partially to permit of peace-time trade; that the Japanese should be "given a chance to get out of China by themselves rather than be forced out"; that the Japanese "Peace Party" cannot make headway in the "atmosphere" created by the American "embargo"; and that if the Government of the United States would first "lift the embargo" Japan would then take its troops out of China voluntarily. Dr. Jones added that in making the above comments, Mr. Terasaki gave every evidence of being absolutely honest and straightforward.

Dr. Jones then mentioned his proposal that as a means of settling the Far Eastern problem Japan be given New Guinea, but said that he would not go into the details of the plan as his views had already been communicated to the Department.

Mr. Mackay thanked Dr. Jones for his previously expressed desire to be of assistance to the Department and said that Dr. Jones' comments in regard to his conversation with Mr. Terasaki would be made known to appropriate officers of the Department.⁷⁰

⁶⁹ Initialed by the Chief of the Division (Hamilton).

⁷⁰ The following appears on the file copy: "Note: On November 26 Mr. M. R. Shaw left with Mr. Mackay for inclusion in the files of the Department the attached copy of Dr. Jones' memorandum of conversation of November 21 with Mr. Terasaki." Memorandum not printed.

711.94/2476

*Revised Draft of Proposed "Modus Vivendi" With Japan*⁷¹

[WASHINGTON,] November 24, 1941.

The representatives of the Government of the United States and of the Government of Japan have been carrying on during the past several months informal and exploratory conversations for the purpose of arriving at a settlement if possible of the questions relating to the entire Pacific area based upon the principles of peace, law and order and fair dealing among nations. These principles include the principle of inviolability of territorial integrity and sovereignty of each and all nations; the principle of non-interference in the internal affairs of other countries; the principle of equality, including equality of commercial opportunity and treatment; and the principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

On November 18 the Japanese Ambassador stated⁷² that the Government of Japan is desirous of continuing the conversations with a view to agreeing upon a comprehensive and peaceful settlement in the Pacific area; that the domestic political situation in Japan is acute and urgent; that, in order to give the Japanese Government opportunity further to develop public sentiment in Japan in support of a comprehensive and liberal program of peace throughout the entire Pacific area, such as has been under discussion between our two Governments, it would be helpful if a temporary *modus vivendi* could be agreed upon to be in effect while the conversations looking to a peaceful settlement in the Pacific were continuing; and the Ambassador suggested that such *modus vivendi* include as one of its provisions some initial and temporary steps of a reciprocal character in the resumption of trade and normal intercourse between Japan and the United States. On November 20 the Japanese Ambassador communicated to the Secretary of State proposals⁷³ in regard to temporary measures to be taken respectively by the Government of Japan and by the Government of the United States, which measures are understood to have been designed to create an atmosphere favorable to pursuing the conversations which have been taking place. These proposals contain features which, in the opinion of this Government, conflict with the fundamental principles which form a part of the general settlement under

⁷¹ See footnote 63, p. 635. Copy of another draft dated November 24 (not printed) is in FE Files, Lot 244.

⁷² See memorandum of November 18, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 744.

⁷³ *Ibid.*, p. 755.

consideration and to which each Government has declared that it is committed.

The Government of the United States is earnestly desirous to contribute to the promotion and maintenance of peace in the Pacific area and to afford every opportunity for the continuance of discussions with the Japanese Government directed toward working out a broad-gauge program of peace throughout the Pacific area. With these ends in view, the Government of the United States offers for the consideration of the Japanese Government an alternative suggestion for a temporary *modus vivendi*, as follows:

MODUS VIVENDI

1. The Government of the United States and the Government of Japan, both being solicitous for the peace of the Pacific, affirm that their national policies are directed toward lasting and extensive peace throughout the Pacific area and that they have no territorial designs therein.

2. They undertake reciprocally not to make from regions in which they have military establishments any advance by force or threat of force into any areas in Southeastern or Northwestern Asia or in the southern or the northern Pacific area.

3. The Japanese Government undertakes forthwith to withdraw its armed forces now stationed in southern French Indochina and not to replace those forces; to reduce the total of its forces in French Indochina to the number there on July 26, 1941, which number in any case shall not exceed 25,000; and not to send additional forces to Indochina for replacements or otherwise.

4. The Government of the United States undertakes forthwith to modify the application of its existing freezing and export restrictions to the extent necessary to permit the following resumption of trade between the United States and Japan in articles for the use and needs of their peoples:

(a) Imports from Japan to be freely permitted and the proceeds of the sale thereof to be paid into a clearing account to be used for the purchase of the exports from the United States listed below, and at Japan's option for the payment of interest and principal of Japanese obligations within the United States, provided that at least two-thirds in value of such imports per month consist of raw silk. It is understood that all American-owned goods now in Japan, the movement of which in transit to the United States has been interrupted following the adoption of freezing measures, shall be forwarded forthwith to the United States.

(b) Exports from the United States to Japan to be permitted as follows:

(i) Bunkers and supplies for vessels engaged in the trade here provided for and for such other vessels engaged in other trades as the two Governments may agree.

(ii) Food and food products from the United States subject to such limitations as the appropriate authorities may prescribe in respect of commodities in short supply in the United States.

(iii) Raw cotton from the United States to the extent of \$600,000 in value per month.

(iv) Medical and pharmaceutical supplies subject to such limitations as the appropriate authorities may prescribe in respect of commodities in short supply in the United States.

(v) Petroleum. The United States will permit the export to Japan of petroleum upon a monthly basis for civilian needs, the proportionate amount of petroleum to be exported from the United States for such needs to be determined after consultation with the British and the Dutch Governments. It is understood that by civilian needs in Japan is meant such purposes as the operation of the fishing industry, the transport system, lighting, heating, industrial and agricultural uses, and other civilian uses.

(vi) The above stated amounts of exports may be increased and additional commodities added by agreement between the two governments as it may appear to them that the operation of this agreement is furthering the peaceful and equitable solution of outstanding problems in the Pacific area.

5. The Government of Japan undertakes forthwith to modify the application of its existing freezing and export restrictions to the extent necessary to permit the resumption of trade between Japan and the United States as provided for in paragraph four above.

6. The Government of the United States undertakes forthwith to approach the Australian, British and Dutch Governments with a view to those Governments' taking measures similar to those provided for in paragraph four above.

7. With reference to the current hostilities between Japan and China, the fundamental interest of the Government of the United States in reference to any discussions which may be entered into between the Japanese and the Chinese Governments is simply that these discussions and any settlement reached as a result thereof be based upon and exemplify the fundamental principles of peace, law, order and justice, which constitute the central spirit of the current conversations between the Government of Japan and the Government of the United States and which are applicable uniformly throughout the Pacific area.

8. This *modus vivendi* shall remain in force for a period of three months with the understanding that the two parties shall confer at the instance of either to ascertain whether the prospects of reaching a peaceful settlement covering the entire Pacific area justify an extension of the *modus vivendi* for a further period.

[Annex]

Strictly Confidential,
Tentative and Without
Commitment

[WASHINGTON,] November 24, 1941.

OUTLINE OF PROPOSED BASIS FOR AGREEMENT BETWEEN THE UNITED
STATES AND JAPAN

[Here follows text of Section I as printed under date of November 22 on page 637.]

Section II: *Steps to be Taken by the Government of the United States
and by the Government of Japan*

The Government of the United States and the Government of Japan propose to take steps as follows:

1. The Government of the United States and the Government of Japan will endeavor to conclude a multilateral non-aggression pact among the British Empire, China, Japan, the Netherlands, the Soviet Union, Thailand and the United States.

2. Both Governments will endeavor to conclude among the American, British, Chinese, Japanese, the Netherlands and Thai Governments an agreement whereunder each of the Governments would pledge itself to respect the territorial integrity of French Indochina and, in the event that there should develop a threat to the territorial integrity of Indochina, to enter into immediate consultation with a view to taking such measures as may be deemed necessary and advisable to meet the threat in question. Such agreement would provide also that each of the Governments party to the agreement would not seek or accept preferential treatment in its trade or economic relations with Indochina and would use its influence to obtain for each of the signatories equality of treatment in trade and commerce with French Indochina.

3. The Government of Japan will withdraw all military, naval, air and police forces from China (excluding Manchuria—see separate provision, paragraph six) and from Indochina.

4. The Government of the United States and the Government of Japan will not support—militarily, politically, economically—any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking.

5. Both Governments will give up all extraterritorial rights in China, including rights and interests in and with regard to international settlements and concessions, and rights under the Boxer Protocol of 1901.

Both Governments will endeavor to obtain the agreement of the British and other governments to give up extraterritorial rights in

China, including rights in international settlements and in concessions and under the Boxer Protocol of 1901.

6. The Government of the United States will suggest to the Chinese Government and to the Japanese Government that those Governments enter into peaceful negotiations with regard to the future status of Manchuria.⁷⁵

7. The Government of the United States and the Government of Japan will enter into negotiations for the conclusion between the United States and Japan of a trade agreement, based upon reciprocal most-favored-nation treatment and reduction of trade barriers by both countries, including an undertaking by the United States to bind raw silk on the free list.

8. The Government of the United States and the Government of Japan will, respectively, remove the freezing restrictions on Japanese funds in the United States and on American funds in Japan.

9. Both Governments will agree upon a plan for the stabilization of the dollar-yen rate, with the allocation of funds adequate for this purpose, half to be supplied by Japan and half by the United States.

10. Both Governments will agree that no agreement to which either is party shall be interpreted by it in such a way as to conflict with the fundamental purpose of this agreement, the establishment and preservation of peace throughout the Pacific area.

11. Both Governments will use their influence to cause other governments to adhere to and to give practical application to the basic political and economic principles set forth in this agreement.

711.94/2476

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 24, 1941.

The British Ambassador, the Chinese Ambassador, the Australian Minister and the Netherlands Minister called at my request. I handed each of them a copy of the proposed *modus vivendi* prepared by us for submission to the Japanese Ambassador.⁷⁶ They spent an hour reading it and taking notes to send back to their Governments.

The Chinese Ambassador objected to more than a maximum of 5,000 Japanese troops being left in Indochina. I again stated that General Marshall had a few minutes before expressed to me his opinion that 25,000 troops would be no menace and that, while this

⁷⁵ Dr. Hornbeck placed paragraph 6 in brackets in his copy of this draft document, with a marginal notation as follows: "Leave this to be brought up by the Japanese" (FE Files, Lot 244).

⁷⁶ *Supra*.

Government did not recognize the right of Japan to keep a single soldier in Indochina, we were striving to reach this proposed temporary agreement primarily because the heads of our Army and Navy often emphasize to me that time is the all-important question for them, and that it is necessary to be more fully prepared to deal effectively with the situation in the Pacific area in case of an outbreak by Japan. I also emphasized the point that, even if we agree that the chances of such an outbreak are not great, it must be admitted that there are real possibilities that such an outbreak may soon occur—any day after this week—unless a temporary arrangement is effected that will cause the agitated state of public opinion to become more quiet and thereby make it much more practicable to continue the conversations relative to the general agreement.

The Chinese Ambassador dwelt on the matter of reducing the proposed figure of 25,000 soldiers to remain in Indochina to 5,000. I pointed out and each of the representatives understood the great advantage it would be to our five countries to have Japan committed to a peaceful course for three months and set forth the advantages to each of having additional time in which to make further preparations, et cetera, et cetera. They seemed to be very much gratified. They seemed to be thinking of the advantages to be derived without any particular thought of what we should pay for them, if anything. Finally, when I discovered that none of their Governments had given them instructions relative to this phase of the matter, except in the case of the Netherlands Minister, I remarked that each of their Governments was more interested in the defense of that area of the world than this country, and at the same time they expected this country, in case of a Japanese outbreak, to be ready to move in a military way and take the lead in defending the entire area. And yet I said their Governments, through some sort of preoccupation in other directions, do not seem to know anything about these phases of the questions under discussion. I made it clear that I was definitely disappointed at these unexpected developments, at the lack of interest and lack of a disposition to cooperate. They said nothing except the Netherlands Minister who then replied that he had heard from his Government and that it would support the *modus vivendi* proposal. I then indicated that I was not sure that I would present it to the Japanese Ambassador without knowing anything about the views and attitude of their Governments. The meeting broke up in this fashion.

There were other details discussed but they were not of major consequence nor did they constitute anything new in the record.

C[ORDELL] H[ULL]

711.94/2471

The Secretary of State to President Roosevelt

WASHINGTON, November 24, 1941.

There is attached for your consideration a draft of a message to the British Prime Minister⁷⁸ containing a description of a proposal for a *modus vivendi* made by the Japanese Government to this Government and of a suggested alternate *modus vivendi* which this Government proposes to offer to the Japanese Government.

If you approve of the draft telegram, I shall arrange to have it forwarded.⁷⁹

C[ORDELL] H[ULL]

711.94/2471 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, November 24, 1941—11 p. m.

5392. From the President to the Former Naval Person.⁸⁰

“On November 20 the Japanese Ambassador communicated to us proposals for a *modus vivendi*. He has represented that the conclusion of such a *modus vivendi* might give the Japanese Government opportunity to develop public sentiment in Japan in support of a liberal and comprehensive program of peace covering the Pacific area and that the domestic political situation in Japan was so acute as to render urgent some relief such as was envisaged in the proposal. The proposal calls for a commitment on the part of Japan to transfer to northern Indochina all the Japanese forces now stationed in southern Indochina pending the restoration of peace between Japan and China or the establishment of general peace in the Pacific area when Japan would withdraw all its troops from Indochina, commitments on the part of the United States to supply Japan a required quantity of petroleum products and to refrain from measures prejudicial to Japan’s efforts to restore peace with China and mutual commitments to make no armed advancement in the southeastern Asiatic and southern Pacific areas (the formula offered would apparently not exclude advancement into China from Indochina), to cooperate toward obtaining goods required by either in the Netherlands East Indies and

⁷⁸ See telegram No. 5392, *infra*.

⁷⁹ President Roosevelt’s notation: “OK. See addition. FDR”. For addition, see close of telegram, *infra*.

⁸⁰ Code name for Winston Churchill.

to restore commercial relations to those prevailing prior to the adoption of freezing measures.

This Government proposes to inform the Japanese Government that in the opinion of this Government the Japanese proposals contain features not in harmony with the fundamental principles which underlie the proposed general settlement and to which each Government has declared that it is committed. It is also proposed to offer to the Japanese Government an alternative proposal for a *modus vivendi* which will contain mutual pledges of peaceful intent, a reciprocal undertaking not to make armed advancement into areas which would include northeastern Asia and the northern Pacific area, southeast Asia and the southern Pacific area, an undertaking by Japan to withdraw its forces from southern French Indochina, not to replace those forces, to limit those in northern Indochina to the number there on July 26, 1941, which number shall not be subject to replacement and shall not in any case exceed 25,000 and not to send additional forces to Indochina. This Government would undertake to modify its freezing orders to the extent to permit exports from the United States to Japan of bunkers and ship supplies, food products and pharmaceuticals with certain qualifications, raw cotton up to \$600,000 monthly, petroleum on a monthly basis for civilian needs, the proportionate amount to be exported from this country to be determined after consultation with the British and Dutch Governments. The United States would permit imports in general provided that raw silk constitute at least two-thirds in value of such imports. The proceeds of such imports would be available for the purchase of the designated exports from the United States and for the payment of interest and principal of Japanese obligations within the United States. This Government would undertake to approach the British, Dutch and Australian Governments on the question of their taking similar economic measures. Provision is made that the *modus vivendi* shall remain in force for three months with the understanding that at the instance of either party the two parties shall confer to determine whether the prospects of reaching a peaceful settlement covering the entire Pacific area warrant extension of the *modus vivendi*.

The British Ambassador has been informed and is informing your Foreign Minister.⁸¹

This seems to me a fair proposition for the Japanese but its acceptance or rejection is really a matter of internal Japanese politics. I am not very hopeful and we must all be prepared for real trouble, possibly soon. Roosevelt”.

HULL

⁸¹ Remainder of text added by President Roosevelt to draft of telegram.

711.94/2537

Memorandum of Conversations, by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] November 25, 1941.

The Chinese Ambassador called on me last evening, at his request.

The Ambassador referred to the conference which had been held yesterday afternoon at which the Secretary of State had informed representatives of the B, C and D powers of the latest developments leading toward possible conclusion between the United States and Japan of a *modus vivendi*. The Ambassador said that he had a very real appreciation of the seriousness and difficulty of the problem which confronts the American Government and concerns all the countries represented; and he expressed appreciation of the attitude of the Secretary of State and complete confidence that the American Government would yield nothing in the field of principles and pursue no course of "appeasement". He said the [*that*] he wished, however, to repeat to me what he had said in the conference regarding articles II and III of the American draft proposal. Article II, he said, presumably does not apply in reference to the conflict between Japan and China: it presumably leaves Japan free to continue her operations against China; and, article III leaves Japan free to maintain as much as 25,000 troops in Indochina and to conduct operations against China from Indochina. He went on to say that in the conversations that were held on Saturday,⁸² the Secretary had spoken of permitting the Japanese to maintain in China "a few thousand" troops; and that in his report to his Government he had used that expression, and he understood that the other representatives had reported in the same terms to their Governments. Now, it seemed to him, a force of 25,000 Japanese troops in northern Indochina would constitute a menace to China. Suppose, he said, the Japanese should scrupulously live up to the letter of this provision—which, if they did, he said, would be surprising—; and suppose they were to cause that number of troops to consist largely if not altogether of mechanics, engineers and aviation pilots,—such a force could seriously menace the Burma Road and terrifically harass Chinese land forces in Yunnan. If the Japanese should choose to conduct land operations against Yunnan from points outside Indochina and support the forces so engaged with large air forces based in Indochina, those operations would be just as much a menace as though the whole attack were made from points in Indochina. The Ambassador therefore hoped, he said, that we would seriously consider whether we might not make the proposal more restrictive.

⁸² November 22.

I then took occasion to explain to the Ambassador the various considerations which have led to the formulating of the draft proposal under reference and the setting up of articles II and III in the form in which they appear. The Ambassador reaffirmed his realization of the difficulty of the problem and his confidence that we will do no unnecessary compromising. He said he knew that the situation cannot look exactly the same to each and every government, because each government views it from a different angle and in a different atmosphere. The Chinese Government is, he said, hard pressed and is apprehensive about the Indochina situation. It feels keenly its lack of the right types of equipment for effective protection of its lifeline, the Burma Road, the keeping open of which is of vital importance to it and surely of great concern to the other powers, especially the United States, which are sending in aid via that Road. He said that he realized that it would be very helpful to keep the Japanese in suspense for another three months, but he doubted whether that could be achieved. He concluded with an assurance that he would try to cause his Government to see the problem in the light in which the American Government sees it. He expressed hope that, if he did not succeed completely in that effort, we would realize that difficulties which confront China inevitably look somewhat different when viewed from Chungking than when viewed from Washington.

Later in the evening the Netherlands Minister dropped in on me. He made with regard to article III observations not dissimilar to those which the Chinese Ambassador had made, as regarding the question of the number of Japanese troops that might be left in Indochina. He also raised a question whether the matter of matériel might not be quite as important as or even more important than the question of the number of troops. He said that he had on Saturday made a long report to his Government, that he had received since then several telegrams, and that he expected to send to the Department today two or three memoranda.

S[TANLEY] K. H[ORNBECK]

711.93/4814

*Mr. Lauchlin Currie, Administrative Assistant to President Roosevelt,
to the Secretary of State*

WASHINGTON, November 25, 1941.

I have just received a cable from Owen Lattimore⁸³ in which he tells me that the Generalissimo is greatly agitated by the report from the Chinese Ambassador following his conference with you. Latti-

⁸³ *Infra*; Mr. Lattimore was American Political Adviser to Generalissimo Chiang Kai-shek.

more makes a point that Chiang Kai-shek's reliance on America is the foundation of his whole national policy and that this would be destroyed by any loosening of economic pressure or unfreezing on our part while leaving Japan entrenched in China. He draws an analogy to the closing of the Burma Road, which permanently destroyed British prestige in China. Lattimore remarked that he had never really seen Chiang Kai-shek agitated before.

*Mr. Owen Lattimore to Mr. Lauchlin Currie, Administrative Assistant to President Roosevelt*⁸⁵

CHUNGKING, November 25, 1941.

LAUCLIN CURRIE: After discussing with the Generalissimo the Chinese Ambassador's conference with the Secretary of State, I feel you should urgently advise the President of the Generalissimo's very strong reaction. I have never seen him really agitated before. Loosening of economic pressure or unfreezing would dangerously increase Japan's military advantage in China. A relaxation of American pressure while Japan has its forces in China would dismay the Chinese. Any *Modus Vivendi* now arrived at with China would be disastrous to Chinese belief in America and analogous to the closing of the Burma Road, which permanently destroyed British prestige. Japan and Chinese defeatists would instantly exploit the resulting disillusionment and urge oriental solidarity against occidental treachery. It is doubtful whether either past assistance or increasing aid could compensate for the feeling of being deserted at this hour. The Generalissimo has deep confidence in the President's fidelity to his consistent policy but I must warn you that even the Generalissimo questions his ability to hold the situation together if the Chinese national trust in America is undermined by reports of Japan's escaping military defeat by diplomatic victory.

LATTIMORE

711.94/2479

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 25, 1941.

The Chinese Ambassador called at his request. He sought to make profuse preliminary explanations, stating among other things that the Foreign Minister of China understood very well the broad international aspects of the Japanese situation as it relates to several coun-

⁸⁵ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

tries, including China and the United States, but that the Generalissimo was not so well acquainted with the situation, and hence his reported opposition to our *modus vivendi*. He then handed me a telegram, dated November 24, 1941, from his Foreign Minister, a copy of which is hereto attached.

I replied that in the first place the official heads of our Army and Navy for some weeks have been most earnestly urging that we not get into war with Japan until they have had an opportunity to increase further their plans and methods and means of defense in the Pacific area. In the second place, at the request of the more peaceful elements in Japan for conversations with this Government looking toward a broad peaceful settlement for the entire Pacific area, we have been carrying on conversations and making some progress thus far; and the Japanese are urging the continuance of these general conversations for the purpose of a broad Pacific area settlement. The situation, therefore, is that the proposed *modus vivendi* is really a part and parcel of the efforts to carry forward these general conversations for the reasons that have been fully stated from time to time, and recently to the Chinese Ambassador and to others.

I said that very recently the Generalissimo and Madame Chiang Kai-shek almost flooded Washington with strong and lengthy cables telling us how extremely dangerous the Japanese threat is to attack the Burma Road through Indochina and appealing loudly for aid,⁸⁹ whereas practically the first thing this present proposal of mine and the President does is to require the Japanese troops to be taken out of Indochina and thereby to protect the Burma Road from what Chiang Kai-shek said was an imminent danger. Now, I added, Chiang Kai-shek ignores that situation which we have taken care of for him and inveighs loudly about another matter relating to the release of certain commodities to Japan corresponding to the progress made with our conversations concerning a general peace agreement. He also overlooks the fact that our proposal would relieve the menace of Japan in Indochina to the whole South Pacific area, including Singapore, the Netherlands East Indies, Australia and also the United States, with the Philippines and the rubber and tin trade routes. All of this relief from menace to each of the countries would continue for ninety days. One of our leading admirals stated to me recently that the limited amount of more or less inferior oil products that we might let Japan have during that period would not to any appreciable extent increase Japanese war and naval preparations. I said that, of course, we can cancel this proposal but it must be with the understanding that we are not to be charged with failure to send our fleet into the area

⁸⁹ For correspondence, see vol. v, pp. 590 ff.

near Indochina and into Japanese waters, if by any chance Japan makes a military drive southward.

The Ambassador was very insistent in the view that he would send back to his Government a fuller explanation which he hoped might relieve the situation more or less. Our conversation was, of course, in a friendly spirit.

C[ORDELL] H[ULL]

[Annex]

*Telegram From the Chinese Minister for Foreign Affairs
(Quo Tai-chi) to the Chinese Ambassador (Hu Shih)*

CHUNGKING, November 24, 1941.

Reference is made to your telegram of November 22.

After reading your telegram, the Generalissimo showed rather strong reaction. He got the impression that the United States Government has put aside the Chinese question in its conversation with Japan instead of seeking a solution, and is still inclined to appease Japan at the expense of China. I have explained to him that the Secretary of State has always had the greatest respect for the fundamental principles, and that I believe he has made no concession to Japan. The fact that he inquires of the possibility of a *modus vivendi* shows that he has not yet revealed anything to the Japanese. We are, however, firmly opposed to any measure which may have the effect of increasing China's difficulty in her war of resistance, or of strengthening Japan's power in her aggression against China.

Please inform the Secretary of State.

711.94/2477

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 25, 1941.

The British Ambassador called at his request and handed me a memorandum, a copy of which is hereto attached. I commented briefly on the impossibility of not letting the Japanese have some oil for strictly civilian use, if we, in turn, are to secure the tremendously valuable commitment by the Japanese not to move on any aggressive course outside of China proper during the next three months. I pointed out to the Ambassador the advantages to China with respect to the Burma Road and its possible destruction and the removal of any menace to the South Sea area which would be of great interest

and advantage to Great Britain, Australia, the Netherlands East Indies and the United States as well.

I emphasized that this proposed *modus vivendi* was really a part of what the Japanese claimed to be a continuance of the same conversations held heretofore relative to a permanent agreement on a peaceful settlement for the entire Pacific area. I also pointed out the utter impracticability of requesting a suspension of further military advances in China in addition to the preceding assurances.

The Ambassador referred to the provision in the proposed draft of a *modus vivendi* limiting the Japanese troops in Indochina to 25,000 and urged that that number be reduced in our draft. I said that we would do the best we could in the matter, that our Army and Navy experts feel that 25,000 in North Indochina would not be a menace to the Burma Road, and that even double that number would not be a serious menace.

C[ORDELL] H[ULL]

[Annex]

*The British Embassy to the Department of State*⁸⁸

Japanese proposal is clearly unacceptable and the only question appears to be whether:—

(a) To reject it and (while making it clear that a limited agreement is not ruled out) to leave it to the Japanese to produce a better offer, or

(b) to make a counter proposal.

We have complete confidence in Mr. Hull's handling of these negotiations and he is in the best position to judge which of these two courses is the better tactics. We feel sure that he fully understands that the Japanese will try to force a hurried decision by magnifying the dangers of delay. If having taken this into account he feels it best to put forward a counter proposal we will support this course.

The Japanese proposal should, we feel, be regarded as the opening movement in a process of bargaining. It puts their own desiderata at a maximum and the price at a minimum. If a counter proposal is to be made we suggest that this process should be reversed and that our demands should be pitched high and our price low.

The removal of merely "the bulk" of Japanese troops from Indo China would allow too wide a loophole. It is doubtful whether we should be justified in accepting this as satisfactory and still less in sug-

⁸⁸ Another copy of this document is headed as follows: "A copy of opinion of the British Foreign Office on *modus vivendi*." (FE Files, Lot 244.)

gesting it. Apart from the desirability of pitching a counter proposal higher than we may obtain, it seems advisable from the Chinese angle so to frame it as to frustrate the possibility of any attack on Kunming during the currency of an interim agreement.

On this basis we would suggest for the consideration of the United States Government that any counter proposal should stipulate for the total withdrawal from Indo China not merely of the Japanese "troops" as in the Japanese proposal but of Japanese naval, military and air forces with their equipment and for the *suspension of further military* advances in China in addition to satisfactory assurances regarding other areas in South East Asia, the Southern Pacific and Russia; the *quid pro quo* being legitimate relaxation of existing economic measures so as to allow the export of limited quantities of goods to ensure the welfare of the Japanese civilian population, but excluding goods of direct importance to the war potential, in particular oil, of which we know the Japanese have no shortage except for military purposes. These relaxations would of course only become effective as and when withdrawal of Japanese armed forces took place, and we should expect in return to receive goods of a similar nature from Japan if we required them.

Mr. Hull has of course made it perfectly clear to the Japanese that any interim arrangement is only a first step in a wider settlement which must be in conformity with basic principles acceptable to the United States. We feel that to prevent misrepresentation by Japan it will have to be made public that any interim agreement is purely provisional and is only concluded to facilitate negotiation of an ultimate agreement on more fundamental issues satisfactory to all parties concerned.

The above represents our immediate reaction, sent without consultation with the Dominion Governments who as in the case of the Netherlands and the Chinese Governments may have other suggestions.

There remains the question raised as to the degree of authority to be delegated to the representatives of the powers concerned in Washington. We are of course anxious to facilitate Mr. Hull's difficult task in all possible ways. But our economic structure is so complicated (in particular by the necessity of consultation with other parts of the Empire) that we do not think it practicable at this stage to give *carte blanche* to diplomatic representatives. If the United States Government favour the suggestion which we made above, it will be necessary to define more closely the distinction between goods of importance to the welfare of the Japanese civilian population and those of direct importance to Japan's war potential, and to consider whether relaxation of economic pressure should be operated by financial control or by barter. After this stage we would be prepared to consider the question of discretion afresh.

711.94/2088

The British Ambassador (Halifax) to the Secretary of State

WASHINGTON, 25 November, 1941.

DEAR MR. HULL: Thinking over our conversation this morning I was not quite sure whether I placed quite sufficient emphasis on what I have no doubt would be the strong feeling of His Majesty's Government in regard to the question of numbers of Japanese troops in Indo China.

I recognise, as you know, to the full your difficulty about total withdrawal, and I also appreciate that it is your wish as much as that of anybody else to keep the numbers as low as possible. I have little doubt that it would be the feeling of my Government that, subject to your fuller knowledge and judgment, it would be wise to start the discussion on as low a figure as possible, and that 25,000 would strike them as an undesirably high figure at which to start discussion.

I have telegraphed to Eden of your proposed addition on this subject in the sense of reserving the position of the United States as to the Japanese right to have any troops in Indo China at all.

Yours very sincerely,

HALIFAX

711.94/2559

Memorandum of Conversation, by the Under Secretary of State (Welles)

[WASHINGTON,] November 25, 1941.

The Minister Counselor of the Canadian Legation⁹⁰ called to see me this afternoon. He said that his Minister, Mr. McCarthy, was in Warm Springs and that he had consequently come himself with a personal and urgent message from his Prime Minister, Mr. Mackenzie King.

He said that Mr. Mackenzie King is very much concerned at the newspaper reports that Secretary Hull has been consulting the Pacific powers, namely Great Britain, the Netherlands, Australia and China, through their representatives in Washington, concerning his conversations with the Japanese Government representatives, and that the Canadian representative had not been included in these conversations. Mr. King felt that Canada was as much a Pacific power as any of those mentioned and was as vitally interested in the outcome of the discussions with Japan as the others and he desired to express his regret and concern that Canada had not been included.

Mr. Hume Wrong mentioned in his own behalf that he believed the Canadian press had taken up this matter and was emphasizing the fact

⁹⁰ Hume Wrong.

that a Canadian contingent of troops had only recently been sent to Singapore, and that in view of these facts the omission of Canada had created considerable astonishment.

I said that I would immediately lay this message before Secretary Hull. I said, however, that without being familiar with the precise circumstances, I knew of no country for which the Secretary of State had a higher regard than for Canada, nor a greater appreciation of its importance in the Pacific region.

Furthermore, I said that there certainly was no statesman for whom Mr. Hull had a higher personal regard than Mr. Mackenzie King. I said that, without any certainty, I could only assume that the Secretary of State had believed that in view of the constant and close contact between Mr. Mackenzie King and the President, the former had been kept closely apprised by the latter of all developments with regard to the Japanese situation and that for that reason he had not believed it necessary to include a Canadian representative in these discussions.

After discussing the matter with Secretary Hull, I telephoned Mr. Wrong and said that I wished to reiterate what I had previously stated, but also to add that in the hurry and rush of these recent days, Secretary Hull very naturally had called in to conference with him the representatives of the Pacific powers who had been during the past months discussing these Pacific matters with him almost daily. I said the fact that Mr. McCarthy had not been discussing these matters with Secretary Hull was one of the reasons that it had not occurred to Mr. Hull to include a representative of Canada in the conversation, but that Secretary Hull would be more than happy in any future conversations that might be held to see to it that Canada is represented. I emphasized Secretary Hull's high regard and esteem for Canada and for the Prime Minister, and his regret that any apparent misunderstanding had taken place.⁹¹

S[UMNER] W[ELLES]

751G.94/4043

The Netherland Minister (Loudon) to the Secretary of State

WASHINGTON, November 25, 1941.

MY DEAR MR. SECRETARY: I have the honor to transmit herewith in form of a memorandum the comments of Her Majesty's Government with regard to the tentative proposals of Mr. Kurusu which you were kind enough to communicate to me last Saturday.

Believe me [etc.]

A. LOUDON

⁹¹ On November 26 the Canadian Minister Counselor suggested that his Government be consulted in connection with attention being given article VI of the proposed *modus vivendi* (711.94/2540 $\frac{2}{3}$).

[Enclosure]

The Netherland Legation to the Department of State

MEMORANDUM

As it seems impossible to discuss at present a final and general agreement, it is necessary that for the reasons expressed by the Secretary of State, it should be endeavored to arrive at a limited and temporary agreement.

In view of the fact that before the occupation of Indo-China by Japan no sanctions were applied against the latter, it seems reasonable that if Japan gradually withdraws from Indo-China proportionately sanctions may be lifted to a certain extent, provided, however, that the withdrawal of the Japanese from Indo-China goes so far that the remaining Japanese forces cannot be considered a direct threat of the Netherlands Indies, Malakka, the Philippine Islands and the Burma road.

But even in that event, according to the opinion of the Netherlands Government, sanctions should not be lifted to such an extent that this would constitute an increase of Japan's war potential. For instance no delivery of high octane gasoline should be allowed, but rice and if necessary low grade oils could be furnished.

The Netherlands Government will be glad to follow the same policy concerning oil deliveries to Japan as applied by the United States. It goes without saying that the license system will remain in operation.

The first point at issue of the Japanese proposals is aiming farther than the above. The Netherlands Government wonders whether it might not be possible to give the following reply:

1. If it is the intention of Japan to militarily withdraw from China, then there are no objections; if Japan is not willing to do so, then the right to continue to give assistance to China should be reserved.

2. It should be proposed that North East Asia (Russia) be also included in the regions enumerated in point 1 of the Japanese proposal in which regions the powers should agree that no armed advance should take place.

Point 2 of the Japanese proposal has been answered by the above observations.

Ad point 3 of the Japanese proposals. The Netherlands are prepared to treat all countries on the same favored footing provided that no foreign power tries to obtain a preponderant position in the Netherlands Indies to the detriment of other nations and provided that defense requirements be taken into account.

Point 4 and 5 of the Japanese proposals have already been dealt with in the above observations.

The Minister of Foreign Affairs is of the opinion that the above gives at least room for discussions with which we fully entrust the

Secretary of State especially now that we have been so fully informed by him and since we have been given the opportunity to inform him of our point of view.

As far as the possible reduction of economic pressure on Japan is concerned, consultations with Governor General Starckenborgh and Economic Warfare will be necessary in view of the fact that deliveries of tin and rubber which were originally destined for Japan are now being shipped to the United States.

In general it will not be possible to go further than the final proposals of the Batavia Conference as proposed before the Netherlands-Japanese discussions had been broken off. Moreover as a result of Russian and American purchases, the amounts of tin and rubber offered in the final proposals are no more available.

[WASHINGTON,] November 25, 1941.

793.94/170014

*Dr. T. V. Soong, of China Defense Supplies, Inc., to the Secretary of War (Stimson)*⁹³

WASHINGTON, November 25, 1941.

DEAR MR. SECRETARY: I am in receipt of a telegram from General Chiang Kai-shek, copy of which please find enclosed. I shall be grateful if you could see me to discuss the message, or otherwise let me know if you have any reply to give to General Chiang.

With kind regards [etc.]

T. V. SOONG

[Enclosure]

TELEGRAM FROM GENERAL CHIANG KAI-SHEK TO DR. T. V. SOONG
DATED CHUNGKING, NOVEMBER 25, 1941

I presume Ambassador Hu Shih has given you a copy of my telegram yesterday. Please convey contents of the message to Secretaries Knox and Stimson immediately.

Please explain to them the gravity of the situation. If America should relax the economic blockade and freezing of Japanese assets, or even if reports that the United States is considering this should gain currency, the morale of our troops will be sorely shaken. During the past two months the Japanese propaganda have spread the belief that in November an agreement will be successfully reached with the United States. They have even come to a silent but none the less defi-

⁹³ Copy transmitted to the Department by the War Department on December 2, pursuant to a telephonic request made by the Assistant to the Secretary of State (Gray).

nite understanding with the doubtful elements in our country. If, therefore, there is any relaxation of the embargo or freezing regulations, or if a belief of that gains ground, then the Chinese people would consider that China has been completely sacrificed by the United States. The morale of the entire people will collapse and every Asiatic nation will lose faith, and indeed suffer such a shock in their faith in democracy that a most tragic epoch in the world will be opened. The Chinese army will collapse, and the Japanese will be enabled to carry through their plans, so that even if in the future America would come to our rescue the situation would be already hopeless. Such a loss would not be to China alone.

We could therefore only request the United States Government to be uncompromising, and announce that if the withdrawal of Japanese armies from China is not settled, the question of relaxing of the embargo or freezing could not be considered. If, on the other hand, the American attitude remains nebulous Japanese propaganda will daily perform its fell purpose so that at no cost to them this propaganda will effect the breakdown of our resistance. Our more than four years of struggle with the loss of countless lives and sacrifices and devastation unparalleled in history would have been in vain. The certain collapse of our resistance will be an unparalleled catastrophe to the world, and I do not indeed know how history in future will record this episode.

711.94/2476

*Final Draft of Proposed "Modus Vivendi" With Japan*⁹⁴

[WASHINGTON,] November 25, 1941.

The representatives of the Government of the United States and of the Government of Japan have been carrying on during the past several months informal and exploratory conversations for the purpose of arriving at a settlement if possible of questions relating to the entire Pacific area based upon the principles of peace, law and order and fair dealing among nations. These principles include the principle of inviolability of territorial integrity and sovereignty of each and all nations; the principle of non-interference in the internal affairs of other countries; the principle of equality, including equality of commercial opportunity and treatment; and the principle of reliance upon international cooperation and conciliation for the preven-

⁹⁴ See footnote 63, p. 635. On copy of this draft in FE Files, Lot 244, there appears a notation in red pencil by the Secretary of State as follows: "Final—Required final Conference with allied p[owe]rs before decision to use or not to by our Gov[er]nment"—and therefore this paper was never presented to Japs. C[ordell] H[ull]".

tion and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

It is believed that in our discussions some progress has been made in reference to the general principles which constitute the basis of a peaceful settlement covering the entire Pacific area. Recently the Japanese Ambassador has stated that the Japanese Government is desirous of continuing the conversations directed toward a comprehensive and peaceful settlement in the Pacific area; that it would be helpful toward creating an atmosphere favorable to the successful outcome of the conversations if a temporary *modus vivendi* could be agreed upon to be in effect while the conversations looking to a peaceful settlement in the Pacific were continuing; and that it would be desirable that such *modus vivendi* include as one of its provisions some initial and temporary steps of a reciprocal character in the resumption of trade and normal intercourse between Japan and the United States.

On November 20 the Japanese Ambassador communicated to the Secretary of State proposals in regard to temporary measures to be taken respectively by the Government of Japan and by the Government of the United States, which measures are understood to have been designed to accomplish the purposes above indicated. These proposals contain features which, in the opinion of this Government, conflict with the fundamental principles which form a part of the general settlement under consideration and to which each Government has declared that it is committed.

The Government of the United States is earnestly desirous to contribute to the promotion and maintenance of peace in the Pacific area and to afford every opportunity for the continuance of discussions with the Japanese Government directed toward working out a broad-gauge program of peace throughout the Pacific area. With these ends in view, the Government of the United States offers for the consideration of the Japanese Government an alternative suggestion for a temporary *modus vivendi*, as follows:

MODUS VIVENDI

1. The Government of the United States and the Government of Japan, both being solicitous for the peace of the Pacific, affirm that their national policies are directed toward lasting and extensive peace throughout the Pacific area and that they have no territorial designs therein.
2. They undertake reciprocally not to make from regions in which they have military establishments any advance by force or threat of force into any areas in Southeastern or Northeastern Asia or in the southern or the northern Pacific area.

3. The Japanese Government undertakes forthwith to withdraw its armed forces now stationed in southern French Indochina and not to replace those forces; to reduce the total of its forces in French Indochina to the number there on July 26, 1941; and not to send additional naval, land or air forces to Indochina for replacements or otherwise.

The provisions of the foregoing paragraph are without prejudice to the position of the Government of the United States with regard to the presence of foreign troops in that area.

4. The Government of the United States undertakes forthwith to modify the application of its existing freezing and export restrictions to the extent necessary to permit the following resumption of trade between the United States and Japan in articles for the use and needs of their peoples:

(a) Imports from Japan to be freely permitted and the proceeds of the sale thereof to be paid into a clearing account to be used for the purchase of the exports from the United States listed below, and at Japan's option for the payment of interest and principal of Japanese obligations within the United States, provided that at least two-thirds in value of such imports per month consist of raw silk. It is understood that all American-owned goods now in Japan the movement of which in transit to the United States has been interrupted following the adoption of freezing measures shall be forwarded forthwith to the United States.

(b) Exports from the United States to Japan to be permitted as follows:

(i) Bunkers and supplies for vessels engaged in the trade here provided for and for such other vessels engaged in other trades as the two Governments may agree.

(ii) Food and food products from the United States subject to such limitations as the appropriate authorities may prescribe in respect of commodities in short supply in the United States.

(iii) Raw cotton from the United States to the extent of \$600,000 in value per month.

(iv) Medical and pharmaceutical supplies subject to such limitations as the appropriate authorities may prescribe in respect of commodities in short supply in the United States.

(v) Petroleum. The United States will permit the export to Japan of petroleum, within the categories permitted general export, upon a monthly basis for civilian needs. The proportionate amount of petroleum to be exported from the United States for such needs will be determined after consultation with the British and the Dutch Governments. It is understood that by civilian needs in Japan is meant such purposes as the operation of the fishing industry, the transport system, lighting, heating, industrial and agricultural uses, and other civilian uses.

(vi) The above stated amounts of exports may be increased and additional commodities added by agreement between the two governments as it may appear to them that the operation of this

agreement is furthering the peaceful and equitable solution of outstanding problems in the Pacific area.

5. The Government of Japan undertakes forthwith to modify the application of its existing freezing and export restrictions to the extent necessary to permit the resumption of trade between Japan and the United States as provided for in paragraph four above.

6. The Government of the United States undertakes forthwith to approach the Australian, British and Dutch Governments with a view to those Governments' taking measures similar to those provided for in paragraph four above.

7. With reference to the current hostilities between Japan and China, the fundamental interest of the Government of the United States in reference to any discussions which may be entered into between the Japanese and the Chinese Governments is simply that these discussions and any settlement reached as a result thereof be based upon and exemplify the fundamental principles of peace, law, order and justice, which constitute the central spirit of the current conversations between the Government of Japan and the Government of the United States and which are applicable uniformly throughout the Pacific area.

8. This *modus vivendi* shall remain in force for a period of three months with the understanding that the two parties shall confer at the instance of either to ascertain whether the prospects of reaching a peaceful settlement covering the entire Pacific area justify an extension of the *modus vivendi* for a further period.

There is attached in tentative form a plan of a comprehensive peaceful settlement covering the entire Pacific area as one practical exemplification of the kind of program which this Government has in mind to be worked out during the further conversations between the Government of Japan and the Government of the United States while this *modus vivendi* would be in effect.

[Annex]

Strictly Confidential,
Tentative and Without
Commitment

[WASHINGTON,] November 25, 1941.

OUTLINE OF PROPOSED BASIS FOR AGREEMENT BETWEEN THE UNITED
STATES AND JAPAN

[Here follows text of Section I as printed under date of November 22 on page 637 and Section II as printed under date of November 24 on page 645, except that the parenthetical section of paragraph 3 was

omitted, paragraph 6 was omitted and the subsequent paragraphs renumbered, and the last two paragraphs were revised as follows:]

9. Both Governments will agree that no agreement which either has concluded with any third power or powers shall be interpreted by it in such a way as to conflict with the fundamental purpose of this agreement, the establishment and preservation of peace throughout the Pacific area.

10. Both Governments will use their influence to cause other governments to adhere to and to give practical application to the basic political and economic principles set forth in this agreement.

711.94/2472: Telegram

*The Ambassador in the United Kingdom (Winant) to the Secretary of State*⁹⁶

LONDON, November 26, 1941—6 a. m.
[Received November 26—12: 55 a. m.]

5670. For the President from the Former Naval Person.

“Your message about Japan received tonight. Also full accounts from Lord Halifax of discussions and your counter project to Japan on which Foreign Secretary has sent some comments. Of course, it is for you to handle this business and we certainly do not want an additional war. There is only one point that disquiets us. What about Chiang Kai Shek? Is he not having a very thin diet? Our anxiety is about China. If they collapse, our joint dangers would enormously increase. We are sure that the regard of the United States for the Chinese cause will govern your action. We feel that the Japanese are most unsure of themselves.”

WINANT

711.94/2540‡‡

*The Secretary of State to President Roosevelt*⁹⁷

[WASHINGTON,] November 26, 1941.

With reference to our two proposals prepared for submission to the Japanese Government, namely:

(1) A proposal in the way of a draft agreement for a broad basic peaceful settlement for the Pacific area,⁹⁸ which is henceforth to be made a part of the general conversations now going on and to be car-

⁹⁶ Sent to President Roosevelt on November 26 at 9: 05 a. m.

⁹⁷ Pencil notation on file copy by the Secretary of State: “Delivered orally & agreed to by the President—Hull”.

⁹⁸ For text, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 768.

ried on, if agreeable to both Governments, with a view to a general agreement on this subject.

(2) The second proposal is really closely connected with the conversations looking toward a general agreement, which is in the nature of a *modus vivendi*⁹⁹ intended to make more feasible the continuance of the conversations.

In view of the opposition of the Chinese Government and either the half-hearted support or the actual opposition of the British, the Netherlands and the Australian Governments, and in view of the wide publicity of the opposition and of the additional opposition that will naturally follow through utter lack of an understanding of the vast importance and value otherwise of the *modus vivendi*, without in any way departing from my views about the wisdom and the benefit of this step to all of the countries opposed to the aggressor nations who are interested in the Pacific area, I desire very earnestly to recommend that at this time I call in the Japanese Ambassadors and hand to them a copy of the comprehensive basic proposal for a general peaceful settlement, and at the same time withhold the *modus vivendi* proposal.

CORDELL HULL

711.94/2479a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, November 26, 1941—8 p. m.

783. I called in the Japanese Ambassador and Mr. Kurusu in the afternoon of November 26¹ and gave them two documents—an oral statement² and draft outline of a proposed basis for a broad agreement covering the entire Pacific area.³

A summary of these documents follows in a subsequent telegram.⁴

HULL

711.94/2560

Memorandum of Conversation, by the Under Secretary of State (Welles)

[WASHINGTON,] November 27, 1941.

The British Ambassador called to see me this morning urgently at his request.

⁹⁹ For final draft of November 25, see p. 661.

¹ See memorandum of November 26, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 764.

² *Ibid.*, p. 766.

³ *Ibid.*, p. 768.

⁴ Telegram No. 784 of the same date, not printed; it was repeated to the Ambassador in China as telegram No. 274.

The Ambassador said that Secretary Hull had called him on the telephone last night to inform him of the nature of the document which he had handed the Japanese envoys. The Ambassador said that he was not quite clear in his own mind as to the reasons which prompted this sudden change in presenting the Japanese Government with a document other than the *modus vivendi* document which had so recently been under discussion.

I said that Secretary Hull had requested me to say to the Ambassador in this regard that one of the reasons for the determination reached was the half-hearted support given by the British Government to the earlier proposal which had been under discussion and the raising of repeated questions by the British Government in regard thereto.

Lord Halifax said he could not understand this in as much as he had communicated to Secretary Hull the full support of the British Government.

To that I replied that the message sent by Mr. Churchill to the President yesterday could hardly be regarded as "full support," but on the contrary, very grave questioning of the course then proposed.

Lord Halifax said that this message had been intended merely to express the objections on the part of the Chinese Government. He went on to say that he himself had been surprised by the vigor of the Chinese objections and that he had, in fact, stated to the Chinese Ambassador that in view of the fact that only ten days ago General Chiang Kai-shek was imploring the British and the United States Government to prevent the closing of the Burma Road, it would seem to him, Lord Halifax, that the course proposed by Secretary Hull gave positive assurances to the Chinese Government that the Burma Road would in fact be kept open if the *modus vivendi* agreement with Japan could be consummated. He said that he felt that the attitude taken by the Chinese Government was based partly on faulty information and partly on the almost hysterical reaction because of the fear that any kind of an agreement reached between Japan and the United States at this time would result in a complete breakdown of Chinese morale.

I told Lord Halifax that information received this morning tended to show that Japanese troop movements in southern Indochina were already very active and that Japanese forces there were being quickly increased in number. I said these reports likewise indicated that the threat against Thailand was imminent. I said, in conclusion, that it was evident from the information received here that the Japanese were preparing to move immediately on a very large scale. The gravity of the situation, I thought, could not be exaggerated.

S[UMNER] W[ELLES]

711.94/2506

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 27, 1941.

The Minister of Australia called at his request. His purpose was to inquire whether the proposed *modus vivendi* had been abandoned permanently, to which I replied that I so considered it. He expressed great concern and desired to know more about the movements of Chiang Kai-shek and others intended to discourage the further consideration of the *modus vivendi*. I referred to copies of British communications on the subject, adding that Ambassador Halifax was strong for the proposal all the way and that I sympathized with his situation but I did not feel that the communications from Churchill and Eden, with qualifications such as were in them, would be very helpful in a bitter fight that would be projected by Chiang Kai-shek and carried forward by all of the malcontents in the United States, although I felt unreservedly that Churchill and Eden, like the British Ambassador here, would be for whatever we might do, even though not entirely to their liking in every way. The Minister inquired whether I thought it would be feasible to take up this matter further with the Chinese and I replied that I did not think so, so far as I am concerned. I thanked the Minister for his cooperation and that of his Government.

C[ORDELL] H[ULL]

740.0011 Pacific War/662

*The Netherland Legation to the Department of State*⁵

MEMORANDUM

With reference to the suggested *modus vivendi* the Netherlands Minister for Foreign Affairs considers that as the negotiations can only begin at this point, the suggested military and economical concessions as a start seem to be quite far-reaching.

Justice, order and law are words which the Japanese are unable or unwilling to understand; furthermore they ascribe to others the same subterfuges they and Hitler employ themselves for ulterior motives.

That Japan will leave the Axis, seems at the present moment most unlikely.

[WASHINGTON,] November 27, 1941.

⁵ Handed on November 27 to the Secretary of State by the Netherland Minister (Loudon).

740.0011 Pacific War/662

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 27, 1941.

The Netherlands Minister called at his request to inquire what reactions I had from the Japanese situation. I proceeded to hand him three cables from Saigon and other localities in the French Indochina area indicating that tens of thousands of Japanese troops with equipment, vessels, transports, et cetera, were proceeding to that area from the north. He examined the cables carefully and appeared much disturbed about the Japanese troop movements. The Minister stated that this presented a very serious situation.

The Minister wanted to make clear that he had supported me unequivocally in connection with the proposed *modus vivendi* arrangement which I abandoned on Tuesday evening, November twenty-fifth, or practically abandoned when the Chinese had exploded without knowing half the true facts or waiting to ascertain them. I said that I had determined early Wednesday morning, November twenty-sixth, to present to the Japanese later in the day the document containing a proposed draft of an agreement which set forth all of the basic principles for which this Government stands and has stood for, for many years, especially including the maintenance of the territorial integrity of China. I reminded the Minister that the central point in our plan was the continuance of the conversations with Japan looking toward the working out of a general agreement for a complete peaceful settlement in the Pacific area and that the so-called *modus vivendi* was really a part and parcel of these conversations and their objectives, intended to facilitate and keep them alive and that, of course, there was nothing that in any way could be construed as a departure from the basic principles which were intended to go into the general peace agreement. The Minister said he understood the situation.

C[ORDELL] H[ULL]

711.94/2577

Memorandum of Conversation, by the Assistant Chief of the Division of Far Eastern Affairs (Adams)

[WASHINGTON,] November 27, 1941.

The Thai Minister^a called upon his own initiative.

He said that some time ago Mr. Hamilton had told him that when he had any question to ask in regard to matters affecting Thailand he should not hesitate to call and ask questions which he had in mind.

^a Mom Rajawongse Seni Pramoj.

He said that he was taking advantage of Mr. Hamilton's kindness this morning.

Mr. Smyth ⁷ and Mr. Adams told the Thai Minister that Mr. Hamilton was in conference and regretted that he himself could not talk with the Thai Minister.

The Thai Minister asked whether the following short two-sentence paragraph appearing in *The New York Times* was accurate:

"The State Department said:

"The Japanese representatives were handed for their consideration a document that is the culmination of conferences back and forth during recent weeks. It is unnecessary to repeat what has been said so often in the past that it rests on certain basic principles with which the correspondents should be entirely familiar in the light of many repetitions.'"

Mr. Adams replied that he understood that the statement was substantially accurate. The Thai Minister asked whether the last sentence might be interpreted to mean that the United States insisted that the Japanese evacuate both French Indochina and China.

Mr. Adams replied that he had no information or authority which would enable him to be specific in his reply to the Thai Minister's question. Mr. Adams said, however, that the President and the Secretary of State had on many occasions outlined the attitude of this Government toward acquisitions of territory by force. Mr. Adams said that there had been no change in this Government's attitude in that respect.

The Thai Minister thanked Mr. Smyth and Mr. Adams for the information which they had given him. He added that naturally his Government was vitally interested in the subject matter of the statement and that he wished to keep his Government informed.

711.94/2507

The Secretary of State to President Roosevelt ⁸

[WASHINGTON,] November 27, 1941.

Referring to the call which Admiral Nomura and Mr. Kurusu are to make on you this afternoon at 2:30,⁹ it is suggested that you may care to include in your comments mention of the following points:

(1) We have been very much disappointed that during the course of these very important conversations Japanese leaders have continued

⁷ Robert L. Smyth, Assistant Chief of the Division.

⁸ Drafted by the Chief of the Division of Far Eastern Affairs (Hamilton) and the Adviser on Political Relations (Hornbeck).

⁹ For memorandum of conversation, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 770.

to express opposition to the fundamental principles of peace and order which constitute the central spirit of the conversations which we have been carrying on. This attitude on the part of Japanese leaders has naturally created an atmosphere both in this country and abroad which has added greatly to the difficulty of making mutually satisfactory progress in the conversations.

(2) We have been very patient in our dealing with the whole Far Eastern situation. We are prepared to continue to be patient if Japan's courses of action permit continuance of such an attitude on our part. We still have hope that there may be worked out a peaceful settlement in the entire Pacific area of the character we have been discussing. The temper of public opinion in this country has become of such a character and the big issues at stake in the world today have become so sharply outlined that this country cannot bring about any substantial relaxation in its economic restrictions unless Japan gives this country some clear manifestation of peaceful intent. If that occurs, we can also take some steps of a concrete character designed to improve the general situation.

(3) We remain convinced that Japan's own best interests will not be served by following Hitlerism and courses of aggression, and that Japan's own best interests lie along the courses which we have outlined in the current conversations. If, however, Japan should unfortunately decide to follow Hitlerism and courses of aggression, we are convinced beyond any shadow of doubt that Japan will be the ultimate loser.

711.94/2542

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*

[WASHINGTON,] November 27, 1941.

MR. SECRETARY: There is attached a memorandum of a conversation between Mr. Langdon Warner of the Fogg Museum, Boston, and Mr. Ballantine¹⁰ relating to a suggestion by Mr. Warner that consideration might be given to the sending by the President of a communication to the Emperor of Japan, having as its purpose the diverting of Japan from its present courses to courses of peace.

No further action on this matter need be taken so far as Mr. Warner is concerned.

M[AXWELL] M. H[AMILTON]

¹⁰ Memorandum dated November 27, not printed; Mr. Warner cited his letter of November 12 printed in the *New York Times* of November 16.

711.94/2512

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] November 27, 1941.

PROBLEM OF FAR EASTERN RELATIONS—ESTIMATE OF SITUATION AND CERTAIN PROBABILITIES

The Japanese Government has made certain plans, some of which are absolute and some of which are conditional, for new military operations.

Mr. Kurusu's mission has had two principal objectives: (1) to obtain, if possible, from the United States, terms of agreement favorable to Japan; (2) to ascertain, if possible, what action, positive or negative, the United States might, may or will take in the event of certain moves by Japan.

The American Government has now given clear indication that it has no intention of making "concessions" to Japan which would be inconsistent with the declared principles and the general objectives of American foreign policy and that it does not intend to condone or give countenance to policies and practice, past and present and future, of aggression on Japan's part.

Mr. Kurusu has not achieved the first objective of his mission.

The Japanese Government has given, during the course of the "exploratory conversations", clear evidence that it is not that Government's intention at the present time to disassociate Japan from the Tripartite Alliance; or to give up its objective of conquering China, conquering other regions in the Far East, and establishing a "new order" and a "co-prosperity sphere" in eastern Asia and the western and southern Pacific. It has persevered in distribution and disposal of its armed forces on a pattern clearly designed for offensive rather than merely defensive operations. It has shown that it clearly intends to persevere in pursuit of its general and its particular objectives by the methods of threat of force or use of force—which means continuance of contribution to instability rather than stability of situation in the Pacific and eastern Asia.

The United States has not shown what action it will take on the positive side in the event of Japan's taking one or another of several possible steps. Mr. Kurusu may have gained certain impressions, but he cannot be sure. Mr. Kurusu has not achieved the second major objective of his mission.

The business of prophesying involves a procedure of examining facts and, as among various developments conceived to be possible, forming conclusions as to what is probable.

A prophecy is an expression by an individual or a group of individuals of an opinion as to what is going to happen.

In the opinion of the undersigned, the Japanese intend at this moment to persevere in and to intensify their operations toward "bringing China to her knees". They have hoped that out of the conversations with the American Government they would extract something which would facilitate their effort toward that objective. Even now, they have not entirely abandoned hope of getting from us either positive or negative action helpful to them in pursuit of that objective.

In the opinion of the undersigned, the Japanese Government does not desire or intend or expect to have forthwith armed conflict with the United States. The Japanese Government, while launching new offensive operations at some point or points in the Far East, will endeavor to avoid attacking or being attacked by the United States. It therefore will not order or encourage action by its agents (foremost among which are its armed forces) which, if taken, would lead toward use by the United States of armed force by way of retaliation or resistance. So far as relations directly between the United States and Japan are concerned there is less reason today than there was a week ago for the United States to be apprehensive lest Japan make "war" on this country. Were it a matter of placing bets, the undersigned would give odds of five to one that the United States and Japan will not be at "war" on or before December 15 (the date by which General Gerow has affirmed that we would be "in the clear" so far as consummation of certain disposals of our forces is concerned); would wager three to one that the United States and Japan will not be at "war" on or before the 15th of January (i. e., seven weeks from now); would wager even money that the United States and Japan will not be at "war" on or before March 1 (a date more than 90 days from now, and after the period during which it has been estimated by our strategists that it would be to our advantage for us to have "time" for further preparation and disposals). These ventures into the field of speculative prediction are posited on an assumption that our definition of "war" must be the same in reference to activities and events in the Pacific that it is in regard to activities and events in the Atlantic: the indicated wagers are offered on an assumption that, although there may be some armed encounters similar to those to which we have been and are a party in the Atlantic, there will not be a recognized "state of war" such as to disrupt substantially or put an end to the present program of our Army and Navy for disposal within the periods mentioned of equipment and men for "defensive" and general purposes. Stated briefly, the undersigned does not believe that this country is now on the immediate verge of "war" in the Pacific.

Japan has her disposals so made that she might now move against Russia or move against the Dutch East Indies or move against Thailand or launch some new operations in and against China. But, a move against Russia would be a major operation involving very substantial hazards for Japan; and it would be a move from which, once begun, it would be hard for Japan to withdraw. A move by Japan against the Dutch East Indies would involve for Japan a risk of armed embroilment with Great Britain and possibly the United States; it would involve a risk of developing into a major operation.

A move by Japan now against Thailand would be a move which need not require great effort or involve great risk; if made, it would have a twofold objective, on the one hand an exploration of British and American reaction, and on the other hand a possible gaining of advantageous position in connection with and for operations against the Burma Road and therefore toward bringing closer to an end the "China incident". A move on Japan's part via Indochina into Yunnan and toward putting the Burma Road out of commission (especially by continuous air attack) would involve little risk of embroilment with Great Britain or the United States, would not necessarily involve a major effort, and could be halted or be withdrawn from at any time should developments in the general situation render such action advisable in the opinion of Japan's military leaders.

The reasonable probability is that Japan's new military operations of the near future will be directed either toward gaining position in Thailand or operations against Yunnan and the Burma Road or both.

If, when and as Japan makes either or both of those moves, Japan will *ipso facto* be further disclosing what are her political and military policies and will be further extending herself as regards military disposals and effort and as regards burden and draft upon her national capacity (economic, social, political and military); she will be weakening her position in the event of there coming, later, armed conflict between herself and the United States; she will be exposing herself to naval and air attack on flank and from rear, if and when, by the United States; and she will be adding to the number of her enemies and the weight of a public opinion adverse to her in the United States and the British Empire.

There is no warrant for any feeling on our part that the situation in the Pacific has been made worse, as regards the interests of the United States by refusal on the part of the American Government to make a deal with Japan in terms of "concessions" by us in return for "pledges" (qualified and hedged around pledges) by Japan to keep the peace while continuing to make war and to prepare for more war. Japan has been at *war* in eastern Asia and the western Pacific for several years past. Japan has threatened to make war on each and every one

of her near neighbors and even on the United States. No price that we might have paid to Japan would buy or produce peace in the Pacific or security for the United States (and/or Great Britain and/or China and/or Russia) in the Pacific.

The question of more war or less war in the Pacific rests at this moment in the control of minds and hearts in Tokyo, not in the control of minds and hearts in Washington.

S[TANLEY] K. H[ORNBECK]

711.94/2540½

*The Secretary of War (Stimson) to President Roosevelt*¹¹

Memo which may be helpful as to certain portions of the message to the Congress.

H[ENRY] L. S[TIMSON]

[Annex]

GENTLEMEN OF THE CONGRESS: I have come before you to report to you on the serious danger which is threatening this country and its interests in the Far East.

(here introduce such further opening matter as desired.)

OUR INTEREST IN THE SAFETY OF THE PHILIPPINES, THE NETHERLANDS
AND MALAYSIA

For over forty years our government has been conducting the unprecedented experiment of training an Asiatic people in the methods of freedom and self-government as practiced by our own republic. While our immediate aim has been the development of this dependent Filipino people, thrown into our guardianship by the accident of war, into a self-governing and independent commonwealth, nevertheless we have other far-reaching interests in the success of that farsighted experiment. It is of the utmost value to the material welfare of the United States that there should exist in that portion of the world a friendly nation bound to us by the ties of association and gratitude which our long partnership in government has created. It has brought home to the nations and peoples of the Orient the name, the credit and the possibility of extensive commerce with the United States. It has helped to establish and stabilize close relations on our part with that portion of the Pacific, including particularly Malaysia and the New

¹¹ Notations on original: "About Nov. 27, 1941": "Draft received by the Secretary of State from the Secretary of War for possible inclusion in the proposed message to the Congress on the subject of relations with Japan". Another draft suggestion from Mr. Stimson of similar nature was received "about November 25-28".

Netherlands, which secure for us supplies of indispensable materials for our requirements both in time of peace and in war. Thus for every reason, both spiritual and material, it is of vital importance that the purpose which we undertook four decades ago should be carried out to its intended logical fruition and that the people of the Philippines should achieve their ultimate position in the family of nations, bound to us by such ties of origin.

OUR RELATIONS TO CHINA

The American policy which was thus put into effect in regard to the Philippines was in essence of the same far-sighted character as that which during the same period we applied to our relations with China. We were the founders of the policy of the Open Door,—the policy which was subsequently legalized in ¹² the so-called Nine Power Treaty, and which endeavored to preserve for that great nation its territorial and administrative integrity and to permit it to develop without molestation its sovereignty and independence according to the modern and enlightened standards believed to obtain among the peoples of this earth.

THE AXIS ATTACK UPON THIS AMERICAN POLICY IN THE FAR EAST

During the past decade, however, these enlightened policies of the American government, exemplified by our attitude towards China and the Philippines, have been endangered by a scheme of world conquest set on foot by the so-called Axis powers—Germany, Italy, and Japan. These nations have without provocation or excuse attacked and conquered and reduced to economic and political slavery most of the free governments of Europe. In the Far East their Axis has been represented by the government of Japan which in 1940 joined with Germany and Italy in a covenant avowedly aimed at the interests in the Orient of the government of the United States. Japan has for over five years been attempting to carry out such a scheme of conquest and spoliation in the Far East. In flat defiance of its own covenants in the Nine Power Treaty it has invaded and sought to overthrow the government of China. Step by step the fleets and forces of Japan, passing through the China Sea in the immediate proximity of the Philippine Islands, have also invaded and taken possession of Indo China. Today its forces are proposing to go further southward and are openly threatening an extension of this conquest into the territory of Thailand. This step would directly menace the port and Straits of Singapore through which gateway runs the commerce of the world, including our own, between the Pacific and the Indian Ocean.

¹² Pencil revision based on other draft: "made binding on the signatories of."

On the eastern side of the Philippines, Japan has also been extending its threatening activities through the Caroline and Marshall Islands where, in violation of the mandate¹³ under which it received the custody of those islands, it has been secretly establishing naval and air bases and fortifications directly on the line between the United States and the Philippine Islands.

By these steps Japan has placed itself in a position which encircles the western, northern, and eastern approaches to our territory and interests in the Philippines. Should it go further, it will completely encircle and dangerously menace the vital interests of the United States.

OUR EFFORTS TO PEACEFULLY PERSUADE JAPAN TO ABANDON SUCH A POLICY OF CONQUEST IN OUR NEIGHBORHOOD IN THE SOUTHWESTERN PACIFIC AND THE FAILURE OF THAT ATTEMPT

(Here describe the negotiations carried on by Secretary Hull and their failure.)

THE DANGER TO OUR VITAL INTERESTS WHICH NOW CONFRONTS THE UNITED STATES ON THE FAILURE OF THESE NEGOTIATIONS

(In summary only.)

First: Japanese policy of conquest and exploitation which is now being carried out in China has already utterly destroyed in the portions of China occupied by Japan the peaceful and profitable commercial relations which the United States had previously enjoyed.

It has devastated and has sought to conquer the nation which for many centuries by its devotion to the arts of peace and commerce has been the most stabilizing influence on the western side of the Pacific Ocean.

The Japanese policy threatens to transform a peaceful continent into one devoting itself to the practice of war and dominated by the military leadership of Japan.

Second: This Japanese campaign of conquest and exploitation is now approaching and encircling the Philippine Islands. It threatens the commerce of those Islands and endangers their physical safety.

If it is successful, it will destroy the farsighted experiment which America has been conducting in those Islands and terminate their hope of independence and their peaceful democratic government.

It will destroy the mutually profitable commerce which exists between those Islands and the United States and upon which the high standard of living of the Filipinos now depends.

¹³ See convention between the United States and Japan, signed February 11, 1922, *Foreign Relations*, 1922, vol. II, p. 600.

It will ruin the lifelong efforts and investments of thousands of American citizens who have transferred their homes and business activities to the Philippines on the faith that American principles of freedom and American methods of government would continue in those Islands.

It will forever terminate the prestige and influence of the United States which the American experiment in the Philippine Islands has been establishing throughout the Orient.

Third: It will threaten to cut off and destroy our commerce with the Netherlands East Indies and the Malayan Settlements.

If the Japanese are permitted to carry out their threat to attack and conquer these friendly countries, our imports from these countries will be interrupted and destroyed.

These imports, principally rubber, are vital to our welfare both in time of peace and war.

From those countries we receive our chief supplies of rubber. (Here add other items.)

In time of war, with the spirit of exploitation and destruction of commerce which exists in the world today, such an interruption of our trade with the Netherlands East Indies and the Malayan States would be catastrophic.

711.94/2540¹²

*The Secretary of the Navy (Knox) to the Secretary of State*¹⁴

TO THE CONGRESS OF THE UNITED STATES: The relations between the United States and the Japanese Empire have now reached a stage where I consider it incumbent upon me to acquaint the Congress with the exact facts of the situation and their extremely serious implications.

For the past six months, conversations have been carried on between the Secretary of State and the President on behalf of the United States, and the Foreign Minister and Premier of Japan, for the purpose of arriving, if possible, at some understanding agreeable to both governments. Throughout this entire period, the government of the United States has been steadfast in its support of basic principles which should govern international relations. The principles for which we have stood in these discussions may be summarized as follows: [Here follows blank space to be filled in.]

We have devoted every effort of which we were capable to reach an agreement. With the utmost of forbearance and patience, we have sought to bring Japan into accord with us on these principles. These

¹⁴ Pencil notation on original: "Suggestion from Knox"; additional notation: "About November 25-28" when draft suggestion was submitted "for the proposed President's message to the Congress."

efforts have failed. Japan has refused to change her posture, and relations between the two nations are threatened with rupture.

In our negotiations, we have kept in close contact with the governments of Great Britain, Australia, the Netherlands Indies, and China. We have found these nations in complete agreement with the position we have assumed. In every proposal submitted to Japan, the rights and vital interests of these four nations have been faithfully represented. In the firm position which we have taken with respect to the Japanese attitude and conduct, we have had the moral support of these nations. We also have assurance of their material and military support if that becomes necessary.

Simply stated, what we are confronted with in the Far East is a repetition of the tactics pursued by Hitler in Europe during the past two years. The methods which Hitler has used in Europe so successfully and which are being faithfully imitated by Japan, consist of a gradual expansion of power and control over neighboring peoples by a slow, progressive infiltration through which one nation after another is subdued and enslaved either by actual force or by threats of force.

After this fashion and pursuing this policy of conquest by force, Japan has established herself in Korea and Manchukuo; she has sought for the past four years to subjugate China; in recent weeks and during the progress of our negotiations with her, she has invaded Indo-China, and now, she threatens with imminent attack, Thailand, Burma, the Netherlands Indies, and the Philippines.

This situation, precipitated exclusively by Japanese aggression, holds unmistakable threats to our vital interests and to our responsibility for the security of the Philippine Archipelago. The successful defense of the United States, in a military sense, is dependent upon supplies of vital materials which we import in large quantities from this region of the world. To permit Japanese domination and control of the major sources of world supplies of tin and rubber is a menace to our safety which cannot be tolerated. Along with this would go practical Japanese control of the Pacific.

Unless the present course of events in the Far East is halted, and considerations of justice, humanity and the principle of equality of opportunity be restored, we will witness in that region of the world, precisely what has already transpired throughout the continental limits of Europe where Hitler seeks dominion by ruthless force.

Information has reached us, of dependable character that Japan contemplates further measures of aggression. She has assembled both land and sea forces for new conquests. She can go no further in that direction without seriously threatening the vital interests of Great Britain, the Netherlands Indies, Australia and ourselves. Unless Japan renounces such purposes and withdraws this threat of further

conquest by force, the four nations involved must resort to force to prevent this aggression, since arguments appear to have failed.

In a final effort to prevent an extension of hostilities in the Far East, I have addressed an appeal to the Emperor of Japan to join me in my efforts. In the meantime, while I await the result of this latest effort toward peaceful solution, I felt it incumbent upon me to apprise the Congress, and through you, the people of the United States of the serious situation with which we are confronted.

711.94/2087 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, November 28, 1941—10 a. m.

[Received November 28—10 a. m.]

463. I called on the Minister for Foreign Affairs last evening at his request. He asked me whether I was informed with regard to the course of the discussions in Washington. I replied that I was informed of the Secretary's remarks to Dr. Hu Shih on November 18. He commented that matters had moved along quite far since then and proceeded to translate to me from a telegram in Chinese received from Dr. Hu nine points of a proposed arrangement between the United States and Japan providing for a 3 months' *modus vivendi* which had been discussed by the Secretary with the representatives of the other ABCD powers. He said that General Chiang and he had instructed Dr. Hu to represent to our Government that China's attitude toward the arrangement was "negative"; that Dr. Hu had done this on November 25 and that he had at that time been assured that the United States Government had no intention of sacrificing China's interests and the Chinese had been requested to impose implicit confidence in the intentions of the administration in this regard.

Dr. Quo then spoke frankly and forcefully of what he and General Chiang considered would be the psychological effects of the *modus vivendi* on the Chinese public and the Chinese will to continue resistance. He said that the proposals had occasioned not only apprehension but resentment (presumably in high official circles since they are not known elsewhere at this time).

He recalled that China had undergone over four years of war; admitted that at present the economic and military strain is great; and expressed fear that the breaking point might be near. He doubted that Chinese morale would withstand the shock of a Japanese-American *modus vivendi* such as reported. He referred to the feeling aroused last year by the closing of the Burma Road and said that official and popular Chinese reaction to the *modus vivendi* would be

much more severe because China placed great confidence and hope in the United States and the feeling of being "let down" would be correspondingly bitter. He was particularly concerned over point 7 contrasting the wording thereof with past statements of principle in the nine power treaties and in our 1937 declaration of American foreign policy.¹⁵

Dr. Quo repeatedly stressed the seriousness of the situation from the standpoint of potential Chinese reaction and stated that the "damage" caused by a *modus vivendi* might be "irreparable". He commented that the Japanese in their radio broadcasts from occupied territory are already inferring that America is prepared to appease Japan at China's expense, and he added confidentially that the Chinese Government is already aware that the Japanese are again bringing pressure on General Yen Hsi Shan whose loyalty has been suspected.

I told Dr. Quo that I had endeavored to keep Washington faithfully informed on reactions here and that I would not fail to report our conversations.

As this telegram is being encoded, I have just received the Department's 274, November 27 [26], 9 p. m.,¹⁶ which leads me to believe that Chinese apprehension here is not well founded, if as I infer from the message the *modus vivendi* discussed with Dr. Hu was of Japanese origin.

GAUSS

711.94/25594

*Memorandum of Conversation, by the Adviser on Political Relations
(Hornbeck)*

[WASHINGTON,] November 28, 1941.

Sir Ronald Campbell called on me at his request.

In the course of the conversation he stated that the British armed authorities have received a message from our armed authorities stating that in as much as the United States-Japan negotiations have "broken down", it now becomes necessary to issue certain instructions to the armed forces; and that the British Government wishes to inquire of us whether the negotiations have "broken down". I said in reply that so far as I am aware neither the American Government nor the Japanese Government has declared or indicated that the negotiations are terminated, but that I was not in a position to confirm or deny statements attributed to any American official agency that the negotiations have "broken down". I called attention to statements at-

¹⁵ July 16, 1937, *Foreign Relations, Japan, 1931-1941*, vol. I, p. 325.

¹⁶ Not printed; it reported the oral statement and draft proposal of November 26, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 766 and 768.

tributed in the press to Mr. Kurusu and I mentioned a story brought me by one of the correspondents to the effect that in the course of the conversation when Admiral Nomura and Mr. Kurusu called on the President yesterday,¹⁷ the President had remarked that he hoped to see his callers again after his return from Warm Springs. [This story, I understand, is alleged to have emanated from the Japanese Embassy.]¹⁸

S[TANLEY] K. H[ORNBECK]

711.94/2490a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, November 28, 1941—noon.

793. In the light of the attitude of Admiral Nomura and Mr. Kurusu when they were handed on November 26 for consideration the document described in a separate telegram¹⁹ and of such indications as we have cumulatively had of the general attitude of the Japanese Government, it appears that the discussions up to the present time have not yet afforded any basis which gives much promise of a satisfactory comprehensive settlement. It is of course too early to adopt any definitive opinion whether the discussions will continue or will lapse, but the probability that they may lapse should not be lost sight of.

The existence of such probability makes it appear advisable that we give some advance consideration to various problems which may as a consequence arise in connection with our Foreign Service establishments in Japanese territory. As lapse of the conversations might result in withdrawal of our diplomatic and consular representation from Japan, it would seem to us that, without any intention of being alarmist or of too hastily envisaging serious contingencies, this question should be brought to your attention so that you may have it well in mind in case it should become necessary for the Department to consult you in regard to the making of arrangements for the packing of official and personal effects and the expeditious handling of other matters which would be involved in the closing of our Embassy and Consulates. It is, of course, desired that all phases of the matter be considered confidential and that discussion of it be kept to a minimum.

HULL

¹⁷ See memorandum by the Secretary of State, November 27, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 770.

¹⁸ Brackets appear in the original.

¹⁹ Telegram No. 784, November 26, not printed; for document, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 768.

711.94/2490b: Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, November 28, 1941—7 p. m.

796. For the Ambassador and the Counselor only. Following the Japanese proposals of November 20,²⁰ the Department gave consideration to a number of alternate proposals and countersuggestions or combinations thereof which suggested themselves to the Department for possible presentation to the Japanese Government. At one time the Department considered the question of presenting to the Japanese Government simultaneously with the proposal which was actually given them on November 26,²¹ an alternate plan for a temporary *modus vivendi*. The draft under consideration at that time called for a temporary *modus vivendi* to be in effect for a period of 3 months during which time conversations would continue toward the working out of a comprehensive peaceful settlement covering the entire Pacific area. At the end of the period of the term of the *modus vivendi* both Governments would confer at the request of either to determine whether the extension of the *modus vivendi* was justified by the prospects of reaching a settlement of the sort sought.

The draft *modus vivendi* which we were considering contained mutual pledges of peaceful intent, a reciprocal undertaking not to make armed advancement in northeastern Asia and the northern Pacific area, southeast Asia and the southern Pacific area, an undertaking by Japan to withdraw its forces from southern French Indochina, to limit those in northern Indochina to the number there on July 26, 1941, which number should not be subject to replacement and Japan should not in any case send additional naval, military or air forces to Indochina. This Government would undertake to modify its freezing orders to the extent to permit exports from the United States to Japan of bunkers and ship supplies, food products and pharmaceuticals with certain qualifications, raw cotton up to \$600,000 monthly, a small amount of petroleum within categories now permitted general export on a monthly basis for civilian needs, the proportionate amount to be exported from this country to be determined after consultation with the British and Dutch Governments. The United States would permit imports in general provided that raw silk constitutes at least two-thirds in value of such imports. The proceeds of such imports would be available for the purchase of the designated exports from the United States and for the payment of interest and principal of Japanese obligations within the United States. This Government would undertake to approach the British, Dutch and Australian Governments on the question of their taking similar economic measures.

²⁰ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 755.

²¹ *Ibid.*, pp. 766 and 768.

At a certain point in our consideration of the draft *modus vivendi* the representatives in Washington of the British, Dutch, Australian and Chinese Governments were consulted.

After careful consideration of all factors in the situation within the United States and in the general world situation, including the reaction and replies of the Governments mentioned above, it was decided that we should drop the draft *modus vivendi* which we had had under consideration. That draft *modus vivendi* was not handed to the Japanese, and the fact that this Government had considered a *modus vivendi* was not mentioned to them.

The Department has informed you in separate telegrams²² of the documents handed the Japanese Ambassador on November 26 and of the conversation which took place on that date.²³

HULL

762.9411/330½

*Memorandum Received by the Adviser on Political Relations
(Hornbeck) From a Newspaper Correspondent*²⁴

[WASHINGTON,] November 28, 1941.

Ambassador Nomura took the position that the main problem is to find a formula which would enable Japan to withdraw gracefully from effective participation in the Axis, and at the same time bring about a cessation of American aid to China.

Japan considers the United States has a *de facto* alliance with China which, in effect, is far more effective than Tokyo's alliance with the Axis.

The American note makes the situation very difficult. Kurusu probably will return home shortly.

However, the President expressed the hope he would see them both again next week.

711.94/11-2841

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] November 28, 1941.

The British Ambassador called to see me this evening.

The Ambassador began the conversation by saying that he had expected to spend the week end in Philadelphia, but, since he had heard

²² Telegrams not printed.

²³ In telegram No. 277, November 28, 7 p. m., the Department informed the Ambassador in China of the *modus vivendi* matter (711.94/2490c).

²⁴ Notation on file copy: "Handed me by a newspaper correspondent, November 28, 1941. S. K. H." Noted by the Secretary and Under Secretary of State on November 29.

from his Embassy here that his Government was "greatly excited", he had returned to Washington. He read to me a telegram from his Government which indicated that our naval officials in London had been informed by the Navy Department that negotiations between Japan and the United States had been broken off and that an immediate movement by Japan was anticipated, and that consequently precautionary measures must at once be undertaken. The Ambassador inquired whether this was in fact the case. I replied that the situation so far as I knew was exactly as it was last night, namely, that the Japanese Ambassadors had submitted a statement of the position of this Government, handed to them by the Secretary of State,²⁵ to their Government and that no reply from the Government of Japan had as yet been submitted to this Government through them. I said that consequently I could not say technically that negotiations had been broken off, although it was, of course, the assumption on the part of the Government of the United States that the Japanese Government would not accept the bases proposed by the Government of the United States. I told the Ambassador of the various reports which had reached the Department of State regarding the situation in the Far East today.

The Ambassador then said that his Government was annoyed with him because he had not reported the conversation which had taken place yesterday between the two Japanese Ambassadors and the President and the Secretary of State. He asked me if I could give him a report on that subject. I informed the Ambassador consequently of the substance of the memorandum by the Secretary of State of the conversation which had taken place at the White House.²⁶

S[UMNER] W[ELLES]

711.94/2539

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 29, 1941.

The British Ambassador called at his request and I soon discovered that he had no special business except to check on the aftermath of the conversations between the President and myself and the Japanese with special reference to the question of the proposed *modus vivendi*. This caused me to remark in a preliminary way that the mechanics for the carrying on of diplomatic relations between the governments resisting aggressor nations are so complicated that it is nearly impossible to carry on such relations in a manner at all systematic and safe and sound. I referred to the fact that Chiang Kai-shek, for example, has sent numerous hysterical cable messages to different Cabinet officers

²⁵ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 766 and 768.

²⁶ *Ibid.*, p. 770.

and high officials in the Government other than the State Department, and sometimes even ignoring the President, intruding into a delicate and serious situation with no real idea of what the facts are. I added that Chiang Kai-shek has his brother-in-law,²⁷ located here in Washington, disseminate damaging reports at times to the press and others, apparently with no particular purpose in mind; that we have correspondents from London who interview different officials here, which is entirely their privilege to do, except that at times we all move too fast without fully understanding each other's views, *et cetera, et cetera*. I stated that this was well illustrated in the case of the recent outburst by Chiang Kai-shek. In referring to this I remarked that it would have been better if, when Churchill received Chiang Kai-shek's loud protest about our negotiations here with Japan, instead of passing the protest on to us without objection on his part, thereby qualifying and virtually killing what we knew were the individual views of the British Government toward these negotiations, he had sent a strong cable back to Chiang Kai-shek telling him to brace up and fight with the same zeal as the Japanese and the Germans are displaying instead of weakening and telling the Chinese people that all of the friendly countries were now striving primarily to protect themselves and to force an agreement between China and Japan, every Chinese should understand from such a procedure that the best possible course was being pursued and that this calls for resolute fighting until the undertaking is consummated by peace negotiations which Japan in due course would be obliged to enter into with China.

I expressed the view that the diplomatic part of our relations with Japan was virtually over and that the matter will now go to the officials of the Army and the Navy with whom I have talked and to whom I have given my views for whatever they are worth. Speaking in great confidence, I said that it would be a serious mistake for our country and other countries interested in the Pacific situation to make plans of resistance without including the possibility that Japan may move suddenly and with every possible element of surprise and spread out over considerable areas and capture certain positions and posts before the peaceful countries interested in the Pacific would have time to confer and formulate plans to meet these new conditions; that this would be on the theory that the Japanese recognize that their course of unlimited conquest now renewed all along the line probably is a desperate gamble and requires the utmost boldness and risk.

I also said to the Ambassador that a calm deliberate Japanese Government would more than ever desire to wait another thirty days to see whether the German Army is driven out of Russia by winter. I added that the extremist fire-eating elements in Japan, who have preached a general forward movement supported by the Army and

²⁷ T. V. Soong.

Navy have influenced a vast portion of the Japanese public to clamor for such a movement, would probably take no serious notice of the Russian-German situation, but would go forward in this desperate undertaking which they have advocated for some time; that at least it would be a mistake not to consider this possibility as entirely real, rather than to assume that they would virtually halt and engage in some movements into Thailand and into the Burma Road while waiting the results on the Russian front. The Ambassador, I think, had his reservations on this latter point. He did not disagree with what I said about the badly confused mechanics for the conduct of diplomatic relations between several of our countries in these critical times.

C[ORDELL] H[HULL]

711.94/2561

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 29, 1941.

The Australian Minister called at his request and made some reference to the possibility that he might cause Kurusu to call on him, at which time he would discuss the pros and cons of the present relations existing between all of the governments interested in the Pacific and wind up by suggesting that Australia would be glad to act as mediator or something of the sort. I really gave this matter no serious attention except to tell him that the diplomatic stage was over and that nothing would come of a move of that kind. I interrupted him to make this conclusive comment before the Minister could make a detailed statement of the matter on the assumption that he would develop a set of facts along lines that he began to intimate.

C[ORDELL] H[HULL]

711.94/2579

The British Ambassador (Halifax) to the Secretary of State

WASHINGTON, 29 November, 1941.

DEAR MR. HULL: When I got back to the Embassy this morning I found a telegram from Eden asking whether it would be possible to let him see the text of the document given to the Japanese.

I have already told him of its general character as you described it to me, but I have no doubt, if you have no objection, he would be grateful for the opportunity of seeing the text.²⁸

Yours very sincerely,

(For the Ambassador)
R. I. CAMPBELL

²⁸ Notation on original by Max W. Schmidt, of the Division of Far Eastern Affairs: "Documents requested by the British Minister were forwarded by Mr. Welles on December 2, 1941 to the British Ambassador". For documents, see *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 766 and 768.

740.0011 Pacific War/1301

*The Netherland Legation to the Department of State*²⁹

The Netherlands Government requests the U. S. Government to be good enough to instruct the U. S. authorities in the Philippines to inform the Netherlands Consul General at Manila of any imminent Japanese danger in order that he may [be] enabled to inform the Netherlands Foreign Minister in London and the Governor General of the Netherlands Indies.

[WASHINGTON,] November 29, 1941.

711.94/2540##

*The Secretary of State to President Roosevelt*³⁰

WASHINGTON, November 29, 1941.

There is attached a draft of a proposed message to Congress, to which draft the Secretary of the Navy and the Secretary of War made material contributions,^{30a} and the officers of the Department made further contributions, which together comprise the draft of the proposed message.

In order to get this to you today it has not been possible carefully to go over this draft a second time. In fact, I myself have not had time to read it at all critically, but expect to do so over the week-end and give you the benefit of any further comment or suggestions.

I also enclose a draft by the Far Eastern officials of a possible message from you to the Emperor of Japan. My personal view continues as on yesterday to be that its sending will be of doubtful efficacy, except for the purpose of making a record. It might even cause such complications as Col. Stimson and I referred to on yesterday.

If you should send this message to the Emperor it would be advisable to defer your message to Congress until we see whether the message to the Emperor effects any improvement in the situation. I think we agree that you will not send message to Congress until the last stage of our relations, relating to actual hostility, has been reached.

I think you will desire to have any message to the Emperor dispatched in code to Ambassador Grew for communication by him to the Emperor through appropriate channels.

C[ORDELL] H[ULL]

²⁹ Notation on original by the Adviser on Political Relations (Hornbeck): "Taken up with Captain Schuirmann [Captain Roscoe E. Schuirmann, Office of Naval Operations]".

³⁰ Notation attached to file copy: "This document discussed with the President by the Secretary of State. No further action taken."

^{30a} See documents from the Secretary of War and the Secretary of the Navy, pp. 675 and 678.

[Annex 1]

*Draft Message of President Roosevelt to Congress*³¹

I come before you to report to you on serious danger which is threatening this country and its interests in the Far East. Relations between the United States and the Japanese Empire have reached a stage where I consider it incumbent upon me to lay before you the essential facts of the situation and their extremely serious implications.

In the closing decades of the eighteenth century, American traders began the development of our direct contacts with eastern Asia. A little over a hundred years ago, in 1833, the United States entered into its first Far Eastern treaty, a treaty with Siam³²—in which treaty there was made provision for perpetual peace and for dependable relationships. By that time American missionaries were beginning to work in Eastern Asia. Ten years later Caleb Cushing began the negotiation of our first treaty with China, and in 1844 that treaty, containing provision for most-favored-nation treatment, was concluded.³³ In 1853, Commodore Perry knocked on Japan's doors, and in the next years those doors began to open. From the earliest days to this day, the United States has consistently urged in the Far East, as it has done in all parts of the world, the fundamental importance of fair and equal treatment among nations.

Throughout the period of our official relations with the Far Eastern area there has been a general recognition by responsible officials of this country and by our people that procedures conducive to respect for the sovereign rights of countries of the Far East coincide to a remarkable degree with the traditional liberal concepts of the people of this country and the legitimate and best interests of the United States. As a concomitant of this country's espousal of the principle of equal treatment there has been its support of the principle of respect for the territorial and administrative integrity of the countries with which it has had relations. Throughout the period when there were indications that various nations were inclined to aggress against Japan, the United States always used its influence in opposition to every manifestation of such inclination on the part of no matter what country. Simultaneously and subsequently, the United States has done the same in regard to China.

³¹ Copy of another draft by the Adviser on Political Relations (Hornbeck) bears the penciled notation: "About Dec. 5, 1941" (FE Files, Lot 244).

³² Signed at Bangkok, March 20, 1833; Hunter Miller (ed.), *Treaties and Other International Acts of the United States of America*, vol. 3, pp. 741, 755.

³³ Signed at Wang Hiya, July 3, 1844, *ibid.*, vol. 4, p. 559.

Just before the end of the nineteenth century, the United States acquired a new position and, with that position, assumed important responsibilities in the western Pacific. Sovereignty over the Philippine Islands passed from Spain to this country. At that time there was going on what was known as the "scramble for concessions" in China and there was talk about a possible partitioning of China. It was then that the American Government took its stand on the principle of the "open door" and declared that it was its policy to "seek a solution which may bring about permanent peace to China . . . protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire".

Since 1898, the American Government has been conducting in the Philippines the unprecedented experiment of acquainting an Asiatic people with the methods of personal freedom and national self-government that are practiced by our own Republic. Our constant aim has been to develop the Filipino people into a self-governing and independent commonwealth. At the same time, this farsighted experiment has been and is of far-reaching importance to us and to other peoples. It is important to the material welfare of the United States that there should exist in the western Pacific a nation friendly to us by virtue of close association and profitable relations with us. Our presence in the Philippines has helped make known to the peoples of the Orient the name, the culture, the commerce and the good repute of the United States. It has helped to establish and to stabilize our relations in general with those regions of the Pacific from which there come materials which are indispensable to our economy not only in time of peace but even more in time of war and to which we sell in increasing amounts our manufactured products and some of our raw materials.

In 1908 the major principles of American Far Eastern policy were agreed to by Japan and the United States in an exchange of notes.³⁴ In those notes, the two governments jointly declared not only that they were determined to support "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", but that it was "the wish of the two governments to encourage the free and peaceful development of their commerce on the Pacific Ocean" and that "the policy of both governments" was "directed to the maintenance of the existing *status quo*" in that region.

³⁴ The Root-Takahira agreement, signed November 30, 1908, *Foreign Relations*, 1908, p. 510.

In 1921 nine powers possessed of interests in the western Pacific—China, Japan and the United States among them—met in conference in Washington. The all-comprehensive objective of the conference was maintenance of peace. The methods envisaged were (1) reduction of armament and (2) regulation of competition in the Pacific and Far Eastern areas. Treaties and agreements interlocking in character and contingent upon one another were concluded. Especially important among these were the Nine Power Treaty which contained pledges to respect the sovereignty of China and the principle of equal opportunity for the commerce and industry of all nations throughout China; and the treaty (among the United States, the British Empire, France, Italy, and Japan) on limitation of naval armament.³⁵

In 1929 the nations of the world entered into a treaty—the Pact of Paris, or Kellogg Pact³⁶—wherein all agreed to resolve controversies among and between themselves by none but peaceful means.

In 1931, the Japanese army began its seizure of Manchuria. The Council and the Assembly of the League of Nations endeavored to induce Japan to revert to peaceful procedures, and the Government of the United States gave its support to that effort. While the occupation of Manchuria by Japanese armed forces was still in progress, the Government of the United States sent to the Japanese and Chinese Governments on January 7, 1932 identic notes³⁷ declaring that the United States could not regard as legal and did not intend to recognize any situation, treaty or agreement which might be brought about by means contrary to the provisions of the Pact of Paris.

In 1934 the present administration welcomed an approach made by the Japanese Government in the form of a friendly note in which Japan's Minister for Foreign Affairs stated³⁸ that he firmly believed that no question existed between the two governments that was fundamentally incapable of amicable solution and that Japan had "no intention whatever to provoke and make trouble with any other power". Our Secretary of State, Cordell Hull, replied³⁹ that he highly appreciated and reciprocated these cordial sentiments, that he fully concurred in the opinion that no question existed between the two countries which was fundamentally incapable of amicable solution, and that he received with special gratification the statement that Japan had no intention whatever to provoke and make trouble with any other power.

³⁵ Both signed at Washington, February 6, 1922, *Foreign Relations*, 1922, vol. I, pp. 276 and 247, respectively.

³⁶ Signed at Paris, August 27, 1928, *ibid.*, 1928, vol. I, p. 153.

³⁷ *Foreign Relations*, Japan, 1931-1941, vol. I, p. 76, and *Foreign Relations*, 1932, vol. III, p. 7.

³⁸ *Foreign Relations*, Japan, 1931-1941, vol. I, p. 127.

³⁹ March 3, 1934, *ibid.*, p. 128.

Almost immediately, however, there came indications of an attitude on the part of the Japanese Government inconsistent with these provisions in so far as concerned the rights and interests of other countries in China. Our Government felt compelled to make a statement in the course of which we said, through our Ambassador in Tokyo, that in this Government's opinion treaties can lawfully be modified or be terminated only by processes prescribed or authorized or agreed upon by the parties to them and that in the opinion of the American people and the American Government no nation can, without the assent of the other nations concerned, rightfully endeavor to make conclusive its will in situations where are involved the rights, obligations and legitimate interests of other sovereign states.⁴⁰

In December 1934, the Japanese Government gave notice of its intention to terminate the naval treaty of February 6, 1922.⁴¹

Japan, already engaged in expansion of her armed forces, thereafter intensified that expansion and in increasing measure engaged in activities obviously directed toward extension of her domination of neighboring areas and destructive of the lawful rights and interests in those areas of other countries, including the United States.

In July 1937 the armed forces of Japan embarked upon large-scale military operations against China. Soon her leaders were openly declaring that it was their determination to achieve and maintain for Japan a dominant position in the entire region of eastern Asia, the western Pacific and the southern Pacific. If they achieved this they would be masters of an area containing almost one-half of the population of the world and they would have arbitrary control of the sea lanes and the trade routes of an enormous area.

In the process of their military operations against and in China, Japan's armed forces have taken American lives, wounded or otherwise physically abused American citizens (men, women and children), sunk American vessels—including a naval vessel—imperiled other American vessels, bombed American hospitals and churches and schools, destroyed a great deal of American property, ruined much American business, greatly interfered with American trade, and, in general, shown utter disregard for our rights—in law and under treaties: all this over and above and in addition to the incalculable damage that they have done to China and the suffering which they have caused to the Chinese people; to say nothing of the injuries which they have done to other nations and to civilization and to the cause of peace and good will among men.

⁴⁰ See telegram No. 59, April 28, 1934, 7 p. m., to the Ambassador in Japan, *Foreign Relations*, Japan, 1931-1941, vol. I, p. 231.

⁴¹ See the Japanese Ambassador's notice and *note verbale* of December 29, 1934, *ibid.*, p. 274.

During the past decade the enlightened policies of the American Government, as exemplified in our record in the Far East, have been endangered by a world-wide scheme of world-wide conquest developed by the so-called Axis powers. In Europe, Germany and Italy have without provocation or excuse attacked and conquered and reduced to economic and political slavery some sixteen other countries. In the Far East, the Government of Japan associated itself with Germany and Italy in 1936, and concluded with them in 1940 a treaty of alliance avowedly aimed at the United States. Those powers have been attempting to carry out a scheme of unlimited conquest. In flat defiance of its covenants Japan has invaded and sought to overthrow the Government of China. Step by step its armed forces, passing through the China Sea in the immediate proximity of the Philippine Islands, have invaded and taken possession of Indochina. Today they are openly threatening an extension of this conquest into the territory of Thailand. That step, if taken, would place them where they would directly menace, to the North, the Burma Road, China's lifeline, and, to the South, the port and Straits of Singapore through which gateway runs the commerce of the world, including our own, between the Pacific and the Indian Ocean.

To the eastward of the Philippines, Japan has extended her threatening activities through the Caroline and Marshall Islands where, in violation of the mandate under which she received the custody of those islands, she has been secretly establishing naval and air bases and fortifications directly on the line between the United States and the Philippines.

By these steps Japan has enveloped with threatening forces the western, northern, and eastern approaches to the Philippines. Should this process go further, it will completely encircle and dangerously menace vital interests of the United States.

And while all this is going on, Japan, bound to Germany and Italy in a treaty wherein those three powers pledged one another that if any one of them is "attacked" by an outside power not already at war, the other allies will assist that one of their members by economic, political and military means; and Japan's militant leaders declare that they will interpret their obligations under this commitment in whatever manner they may deem best suited to their own needs and purposes.

Simply stated, what we are confronted with in the Far East is a repetition of the tactics pursued by Hitler in Europe. The methods which Hitler has used with temporary success and which are being faithfully imitated by Japan, consist of a gradual expansion of power and control over neighboring peoples by a carefully planned and executed progressive infiltration, penetration and encirclement through which one nation after another is subdued and enslaved either by actual force or by threats of force.

After this fashion and pursuing this policy of conquest by force, Japan established herself in Korea; worked her way into and finally seized Manchuria; has sought for the past four and a half years to subjugate China; has, during the period of our negotiations with her, invaded Indochina; and now, threatens with imminent attack various neighboring areas including even the Philippines.

This situation, precipitated solely by Japanese aggression, holds unmistakable threats to our interests especially our interest in peace and in peaceful trade, and to our responsibility for the security of the Philippine Archipelago. The successful defense of the United States, in a military sense, is dependent upon supplies of vital materials which we import in large quantities from this region of the world. To permit Japanese domination and control of the major sources of world supplies of tin and rubber and tungsten would jeopardize our safety in a manner and to an extent that cannot be tolerated. Along with this would go practical Japanese control of the Pacific.

Unless the present course of events in the Far East is halted and considerations of justice, humanity and fair dealing are restored, we will witness in that region of the world precisely what has already transpired throughout the continental limits of Europe where Hitler seeks dominion by ruthless force.

A program on the part of any country for subjugation and exploitation of a huge population and a vast portion of the world is of incalculable concern to every other nation.

Throughout the period in which Japan has been making it clear that such is her program, the Government of the United States had endeavored to persuade the Government of Japan that Japan's best interests lie in maintaining and cultivating friendly relations with the United States and with all other countries that believe in orderly and peaceful processes.

For the past eight months, conversations have been carried on between the Secretary of State and the President, on behalf of the United States, and the Foreign Minister and Premier of Japan, for the purpose of arriving, if possible, at some understanding agreeable to both Governments.

Throughout this entire period, the Government of the United States has been steadfast in its support of basic principles which should govern international relations. The principles for which we have stood in these discussions may be summarized as follows:—The principle of inviolability of territorial integrity and sovereignty of each and all nations; the principle of non-interference in the internal affairs of other countries; the principle of equality, including equality of commercial opportunity and treatment; and the principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of interna-

tional conditions by peaceful methods and processes. Basically these are the principles of peace, law and order and fair dealing among nations.

In our negotiations, we have kept in close contact with the Governments of Great Britain, Australia, the Netherlands Indies, and China. We have found those governments in complete agreement with our position. In every suggestion that we have made to Japan, the rights and vital interests of those and other nations have been faithfully represented. In the position which we have maintained we have had the moral support of these nations. We also have been given assurance of their material and military support if there comes resort to force.

We have made every effort of which we were capable toward reaching a fair and workable agreement. With the utmost of forbearance and patience, we have sought to bring Japan into commitments which would bring its practices into line with the principles which we advocate and in which the Japanese Government declares that it believes. These efforts have failed. Japan has refused to change her position or her practices, and relations between the two nations are threatened with rupture.

The supreme question presented to this country along with many other countries by the Hitler-dominated movement of world conquest is that of self-defense.

The fundamental issue between this country and Japan is not very different from the fundamental issue between this country and Nazi Germany. Concisely stated, it is an issue of autocracy *versus* self-determination, an issue of master and slave relationship among the peoples of the earth *versus* independence of nations and freedom of peoples.

The whole world is presented with the issue whether Germany, Italy and Japan are to conquer and rule the earth or are to be dissuaded or prevented, by whatever processes may be necessary, from pursuit of policies of conquest.

The question immediately presented in our Far Eastern affairs is whether the United States is or is not to stand by while Japan goes forward with a program of conquest by force—in disregard of law, in disregard of treaties, in disregard of others' rights and interest, in disregard of any and all conventions or considerations of morality and of humanity—now in eastern Asia and the western Pacific, ultimately further afield.

In our own councils there are a variety and a composite of issues: There are issues between principles and opportunism; between confidence and fear; between reality and illusion; between clear understanding and confused misunderstanding; between wisdom and folly; between being farsighted and being shortsighted; between the con-

cept of peace at any price and a concept of peace at a price commensurate with the value of peace; between accurate appraisal and inaccurate appraisal of our own strength; between full use and fractional use of our material and moral resources.

Japan's policy of conquest and exploitation which is now being carried out in China has already utterly destroyed in the portions of China occupied by Japan the peaceful and profitable commercial relations which the United States had previously enjoyed there. It has devastated a nation which for many centuries by its devotion to the arts of peace and commerce was the most stabilizing influence on the western side of the Pacific Ocean. It threatens to transform a peaceful continent into one dominated by the military and leadership of Japan and devoted to the practice of war.

This Japanese procedure of conquest and exploitation is encircling the Philippine Islands. It threatens the commerce of those Islands and endangers their physical safety.

If it were to be successful, it would destroy the farsighted experiment which America has been conducting in those Islands and terminate the expectation of their independence. It would destroy the mutually profitable commerce which exists between those Islands and the United States, a commerce upon which the high standard of living of the Filipinos now depends. It would ruin the lifelong efforts and investments of thousands of American citizens who have transferred their homes and business activities to the Philippines on the faith that American principles of freedom and American methods of government would continue in those Islands. It would forever terminate the prestige and influence of the United States which the American experiment in the Philippine Islands has been establishing throughout the Orient.

If the Japanese should carry out their now threatened attacks upon and were to succeed in conquering the regions which they are menacing in the southwestern Pacific, our commerce with the Netherlands East Indies and Malaya would be at their mercy and probably be cut off. Our imports from those regions are of vital importance to us. We need those imports in time of peace. With the spirit of exploitation and destruction of commerce which prevails among the partners in the Axis Alliance, and with our needs what they are now in this period of emergency, an interruption of our trade with that area would be catastrophic.

We do not want war with Japan, and Japan does not want war with this country. If, however, war should come, the fault and the responsibility will be those of Japan. The primary *cause* will have been pursuit by Japan of a policy of aggression—in the course of which Japan's militant militaristic leadership has disregarded law, violated treaties,

impaired rights, destroyed property and lives of our nationals, inflicted horrible sufferings upon peoples who are our friends, interfered with our trade, ruined the legitimate business of many of our nationals, compelled us to make huge expenditures for defensive armament, made threats against us, put and kept many of our people in a constant state of anxiety, and, in general, made Japan a world nuisance and made of Japan a menace to our security and to the cause of peace, of freedom and of justice.

Our policy in relations with Japan should be and is influenced not by fear of what attacks Japan, acting unlawfully and with resort to force may make upon us but by determination on our part to give the utmost support of which we are reasonably capable to the fundamental principles of order and security and justice to which we have been and are committed, with confidence that it is within our capacity to withstand any attack which anyone may make upon us because of our pursuit of that course.

[Annex 2]

*Draft Message From President Roosevelt to the Emperor of Japan*⁴²

[WASHINGTON,] November 29, 1941.

Almost a century ago the President of the United States addressed to the Emperor of Japan a message extending the offer of friendship of the people of the United States to the people of Japan.⁴³ That offer was accepted, and in the long period of unbroken peace and friendship which has followed, our respective nations, through the virtues of their peoples, the sound character of their respective institutions and national structures, and the wisdom of their leaders and rulers—especially in Japan your illustrious grandfather the Emperor Meiji—have prospered and risen to a position of being able substantially to influence humanity.

Only in situations of extraordinary importance to our two countries need I address to Your Majesty messages on matters of state. I feel I should now so address you because of the deep and far-reaching emergency which appears to be in formation.

Developments are occurring in the Pacific area which threaten to deprive each of our nations and all humanity of the beneficial influence of the long peace between our two countries. Those developments contain tragic possibilities.

⁴² Based upon draft of November 28 (not printed), bearing pencilled notation: "Superseded" (FE Files, Lot 244).

⁴³ For President Fillmore's message dated May 10, 1851, see Hunter Miller (ed.), *Treaties and Other International Acts of the United States of America*, vol. 6, p. 517.

The history of both our countries affords brilliant examples in which your and my predecessors have, at other times of great crisis, by their enlightened decisions and acts, arrested trends and directed national policies along new and better courses—thereby bringing blessings to the peoples of both countries and to the peoples of other lands.

Feeling deeply concerned over the present trend of events, I address myself to Your Majesty at this moment in the fervent hope that Your Majesty may, as I am doing, give thought to ways of dispelling the dark clouds which loom over the relations between our two countries and of restoring and maintaining the traditional state of amity wherein both our peoples may contribute to lasting peace and security throughout the Pacific area.

711.94/2540:1

*The Secretary of the Navy (Knox) to President Roosevelt*⁴⁴

WASHINGTON, November 29, 1941.

MY DEAR MR. PRESIDENT: I am enclosing herewith a very rough draft of what I have sent over to the State Department as a means of helping in the drafting of a message.⁴⁵ I hope it may be helpful.

I have had the assistance of both Admiral Stark and Admiral Turner in the summation of the military situation.

The news this morning indicates that the Japs are going to deliberately stall for two or three days, so unless this picture changes, I am extremely hopeful that you will get a two- or three-day respite down there and will come back feeling very fit.

Yours sincerely,

FRANK KNOX

740.0011 Pacific War/659: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 29, 1941—6 p. m.
[Received November 29—3: 11 p. m.]

1868. The Embassy has received Foreign Office note No. 129, American 1, dated November 27, which is translated as follows:

“Excellency: I have the honor to state that according to a report from the Japanese naval authorities, an American airplane flew over Garanbi on the southernmost tip of Taiwan Island at 12:30 p. m. November 20, 1941, and after circling at an altitude of 2,000 meters flew away southward at 12:45 p. m. the same day.

⁴⁴ President Roosevelt was en route to Warm Springs, Georgia.

⁴⁵ Draft not printed; a shorter version was sent the Department “about Nov. 25-28”, p. 678.

It is believed that the Japanese Government cannot overlook such a violation of Japanese territory by an airplane and it is therefore requested that the matter be brought to the attention of the United States authorities concerned. Also I particularly bespeak Your Excellency's solicitude particularly [as] the recurrence of such incidents at this time when the international situation is tense and the untoward events to which they might give rise are unpredictable.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration. Shigenori Togo, Minister for Foreign Affairs."

Sent to the Department only.

GREW

711.94/2555

*The Navy Department to the Department of State*⁴⁶

MANILA, P. I., November 29, 1941.

Information received from Headquarters, Philippine Constabulary is quoted: "According to several local Japanese who were conversing at the Tokyodo located at 341 R. Hidalgo, the personal opinion of the local Japanese Consul General Nihro is that war between America and Japan will begin within four months from now and if Kurusu and President Roosevelt will not come to an understanding, Japan will be forced to attack other nations without any declaration. The reason of the local Japanese Consul General Nihro is that in this way Japan can catch other nations unaware and besides Japan does not want to wait until America is well prepared."

711.94/2091: Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, November 30, 1941—3 [10] a. m.

[Received November 30—5:45 a. m.]

465. My 463 of November 28. Yesterday afternoon I took occasion to say to the Foreign Minister that the apprehension to which he gave expression on Thursday was not warranted by developments. He asked me [to] report his appreciation of the American position, explaining that his concern had not been due to any feeling on his part that China would be let down but had been due to fear that a *modus vivendi* such as reported by Hu Shih would have a disastrous effect on Chinese morale.

GAUSS

⁴⁶ Notation on file copy: "Received from Commandant, U. S. Navy Yard, Cavite, P. I." Copies transmitted to the Department and received December 8.

740.0011 Pacific War/674

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 30, 1941.

The British Ambassador called at his request and handed me the accompanying memorandum,⁴⁷ which is self-explanatory. He was very desirous of ascertaining what the United States Government would do if the British should resist any Japanese undertaking to establish a base on the Kra Isthmus. I said that the President was returning tomorrow morning and that I would lay all phases of the situation before him on Monday noon. This I proceeded later to do and the President agreed to notify and see the Ambassador with respect to his inquiry. Previously the Ambassador had sent me a telegram⁴⁸ (copy attached) received from his Foreign Office on this same matter.

The Ambassador continued his attitude of desiring more time for his Government to make preparations to resist in the Pacific area. He assured me that his Government would be in harmony with any steps we might pursue to this end.

C[ORDELL] H[ULL]

711.94/2540

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 30, 1941.

The Australian Minister, who called at my apartment at his request, came to report the substance of a talk which he had had with Ambassador Kurusu. This amounted to very little and there was really nothing new in what he said except that Kurusu made it repeatedly clear that the Japanese were very desirous of continuing conversations with this Government.

The Minister then referred to his notes and said that the British Ambassador desired to urge along with him, the Australian Minister, that I do the best possible to continue our relations with Japan so as to avoid a military conflict at this time, the idea being that they needed more time for preparations to resist in the Pacific area. This view has been asserted constantly during recent weeks by the British Ambassador, the Australian Minister, and twice by the Netherlands Minister.

C[ORDELL] H[ULL]

⁴⁷ Vol. v, p. 360.⁴⁸ Possibly document received November 14, vol. v, p. 340.

740.0011 Pacific War/675

The British Ambassador (Halifax) to the Secretary of State

WASHINGTON, 1 December, 1941.

DEAR MR. HULL: I received last night a telegram from the Foreign Office, of which I send you a copy, as the point may possibly arise in the course of your discussions this morning.

You will remember you mentioned the point to me as I was leaving your office yesterday.

Yours very sincerely,

HALIFAX

[Enclosure]

The British Foreign Office to the British Embassy

It is conceivable that United States Government may raise with you the question of the compatibility of the operation referred to with our treaty of non-aggression with Thailand. It may be useful for you to know therefore that we have given careful consideration to this point.

2. In July last we informed the Thai Government that we should regard the grant of bases to Japan as an infraction of that treaty. Similarly (although we have as yet made no communication to the Thai Government) we should not feel we could allow the treaty to be a bar to our entering Thailand if a Japanese invasion occurred or was clearly impending. But it would be greatly preferable if in these eventualities we could act in co-operation with the Thai Government. If therefore it were decided to undertake the operation, we should naturally do our best to secure Thais' consent. It would be important however not to reveal to the Thai Government prematurely the existence of our plan owing to the danger of leakage to the Japanese.

[LONDON,] 30.11.41.

740.0011 P. W./1245

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] December 1, 1941.

The Netherlands Minister informed me by telephone this morning that the Government of the Netherlands East Indies had ordered a comprehensive mobilization of its armed forces.

S[TANLEY] K. H[ORNBECK]

793.94119/770½

Memorandum of Conversation, by the Chief of the Division of Far Eastern Affairs (Hamilton) ⁴⁹

[WASHINGTON,] December 1, 1941.

Dr. E. Stanley Jones called at his request. He said that during the last day or two he had gathered the impression that the Chinese Government was blocking the putting into effect of a temporary arrangement which might afford a cooling-off spell in the Far Eastern situation. He said that he had called on the Chinese Ambassador, whom he had known for a good many years, and had asked him whether this report was accurate; that the Ambassador had replied that it was not; and that the Ambassador had referred to a comment attributed to Mr. Kurusu shortly after his arrival here to the effect that Japan did not desire mediation of its conflict with China by any power. Dr. Jones said that he had then inquired of the Chinese Ambassador whether the Japanese made a distinction between mediation and good offices, to which the Ambassador had replied that he did not know and had indicated that he was not interested.

Dr. Jones said that after talking with the Chinese Ambassador he had talked with Mr. Terasaki of the Japanese Embassy; that Mr. Terasaki had stated that the Japanese Government did not desire mediation, but that it desired the extension of good offices by the United States. According to Dr. Jones, Mr. Terasaki had also said that Japan was in the mood of a person who had been in a fight, that Japan was not reasonable and logical in its reactions at this time, and that what was needed was some act by the United States which would enable Japan to be more reasonable. Dr. Jones said that Mr. Terasaki had mentioned especially the lifting in some way of the embargo on oil.

When Dr. Jones mentioned that Japan was interested in the United States' exercising its good offices between China and Japan, I said that of course one very pertinent consideration in connection with that matter was whether Japan desired to act in a genuinely peaceful way toward China. I made no other comment at that time.

Dr. Jones said that, without in any way attempting to give credit to himself, he probably spoke to larger gatherings of American church people than any other person in the United States; that he had expected, when he began some months ago mentioning to such audiences the question whether some peaceful way could not be found for resolving the difficulties between China and the United States, that he would be severely criticized; that on the contrary he had found a very receptive attitude on the part of his audiences; and that in his opinion the bulk of solid American opinion, which he said was not an especially

⁴⁹ Noted by the Secretary of State.

vocal element, would definitely welcome the bringing about of a peaceful adjustment in the Pacific situation.

Dr. Jones then spoke again of his idea of having New Guinea turned over to Japan as affording a face-saving way to Japan of getting out of China. Dr. Jones said that he had discussed this matter with a good many people and that on the whole the response was favorable. He said that he had discussed this matter with the Australian Minister here, who had said that of course Japan's presence in an area so near to Australia would perturb Australia, but that that factor could be taken care of should the United States enter into a non-aggression treaty with Australia. I commented that the practice of the United States was not to enter into treaties containing pledges of military action by this country. Dr. Jones replied that at the present time the United States in fact was protecting Australia and he indicated that he did not see why such a provision could not be written into a treaty. Dr. Jones said also that he had discussed the Far Eastern situation with Mr. Justice Murphy, Mr. Hayden, and Mr. McNutt.⁵⁰ Mr. Jones intimated that all of these gentlemen were interested in the idea which he put forth that Japan should be given some additional land to which its people could go.

I told Dr. Jones that all I could say was that I could assure him that the appropriate officers of the Government were making every effort to give most careful and painstaking thought to all ideas and suggestions.

M[AXWELL] M. H[AMILTON]

793.94/17037 : Telegram

The Consul at Tsingtao (Meyer) to the Secretary of State

TSINGTAO, December 1, 1941—11 a. m.

[Received December 3—6: 27 a. m.]

During the past 10 days an average of about three Japanese transports have left Tsingtao daily loaded with troops. These troops were in summer uniforms and are believed to have been withdrawn from areas in the Yangtze valley north of the river as Japanese troops in Shantung have been in winter uniforms for some time. Reliable information as to numbers and destination is not available here but it may be deduced from the above that they are southward bound.

Sent to Peiping. Repeated to the Department and Chungking.

MEYER

⁵⁰ Frank Murphy, Associate Justice, Supreme Court of the United States; Senator Carl Hayden, of Arizona; and Paul V. McNutt, Administrator, Federal Security Agency.

793.94/17016 : Telegram

The Consul General at Canton (Myers) to the Secretary of State

CANTON, December 1, 1941—2 p. m.
 [Received December 1—9 : 24 a. m.]

91. There has been considerable movement of Japanese troops during the past three days, it being estimated that about 4,000 with equipment have come to Canton from the West River area and intermediate places. Beginning yesterday troops and equipment have been moving eastward by train and road toward Whampoa and Croyshektan [*sic*] on the East River. This morning loaded pack animals some of which were camouflaged and some 20 tanks accompanied by trucks carrying gasoline were seen moving in that direction. Large truck parks near the city which were recently filled are now largely empty.

In the light of the general situation and of recent developments in this area including road building and repairs and the presence of camouflaged pack animals and of pontoon bridge sections among the supplies being transported eastward this movement would appear to be in the direction of the Hong Kong border and to denote a repositioning of troops in anticipation of possible eventualities. However, as it has been in any case reported that four coastal transports including two fully loaded with troops were seen late last week proceeding seaward on the lower Pearl River it is possible that the main movement is to Indochina.

Various reports indicate that many pill boxes are being erected as defense works along the edge of the city particularly on the north and east sides and that anti-aircraft defenses are being put up east of the airfield.

Sent to the Department, repeated to Chungking, Peiping, Hong Kong.

MYERS

711.94/2502 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, December 1, 1941—5 p. m.
 [Received 9 : 20 p. m.]

4219. While there is no German comment on specific aspects of the situation in the Pacific, the semi-official *Dienst aus Deutschland* this afternoon makes the following statement:

"The authorities in Berlin are absolutely convinced that Japan in conducting its contact with Washington is guided by its determination to protect its vital interests as a great power in the Far East and

to adhere to the principles of its foreign policy as laid down in various pacts. The relationship of confidence between Japan and the European Axis powers could therefore not be in any way impaired by the negotiations with the United States which aim at a peaceful clarification of the Far Eastern situation. The participation of Japan in the Berlin meeting of the anti-Comintern powers was itself sufficient evidence that the principles of Japanese foreign policy could not be affected by the attempt to reach a diplomatic settlement with Washington."

The *Dienst aus Deutschland* further states that Berlin is not in any way disturbed at the alarming reports coming from British and American sources in the past day or two regarding the Far East since it considers such stories to be primarily a weapon used by Washington in the hope of extorting concessions from Japan.

MORRIS

711.94/2487 : Telegram

The Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, December 1, 1941—7 p. m.

280. Reference your 463, November 28, 10 a. m., and the Department's 277, November 28, 7 p. m.^{50a} The Department notes from your telegram under reference that the Chinese Foreign Minister informed you that on November 25 the Chinese Ambassador at Washington had informed the Department that the attitude of China toward the temporary arrangement with Japan under tentative consideration at that time was "negative". You will have observed from the Department's telegram under reference reporting *inter alia* the Chinese Ambassador's conversation with the Secretary on November 25 that China's attitude was made known to this Government and to various circles in Washington through various channels and through telegrams to several individuals.

The Secretary of State, whenever he has discussed with the Chinese Ambassador the matter of the current conversations with the Japanese, has made it plain that we have made no sacrifice of principles; that we expect to make none; that we have aided China; that we expect to continue to do so to the best of our ability; and that, should matters which concern China come up for discussion, we expect to consult with the Chinese Government at appropriate stage.

As reported in your telegram under reference the Chinese Foreign Minister described frankly and with force the psychological effects on the Chinese public and the Chinese will to continue resistance which

^{50a} Concerning the latter, see footnote 23, p. 684.

might be expected should there be adopted an arrangement such as the *modus vivendi* which we had under consideration at that time. It will be recalled that the Generalissimo in his recent messages to the President and the Prime Minister of England also spoke frankly and forcefully of the psychological effects of a successful Japanese invasion of Yunnan Province. As you were informed in the Department's telegram under reference the Secretary of State in speaking to the Chinese Ambassador on November 25 pointed out that one of the prime points of the draft temporary *modus vivendi* which this Government was then tentatively considering was to protect Yunnan Province and the Burma Road from the imminent danger described by the Generalissimo and in addition to suspend the Japanese menace, for at least three months, to the whole South Pacific area and the Philippines.

In his conversation with you the Chinese Foreign Minister described serious and difficult internal and external problems of China. This Government is not unaware of those problems and we believe that the Chinese Government is also aware of many serious and difficult problems facing us and other similarly disposed powers such as Great Britain and the Netherlands.

We have on many appropriate occasions assured, and we may now again assure, China that in these trying and difficult days its interests have been and are being given most careful consideration in our study of our own problems and the problems of other nations and peoples.

It may be noted that there have occurred recently several examples of badly confused mechanics for the conduct of diplomatic relations between the governments resisting aggression. Those relations are so complicated that it is most difficult to carry on such relations in a systematic and sound manner. There have for example been examples of intrusion into delicate and serious situations on the part of individuals who are not completely or adequately informed of the facts. Before taking action of any sort it would seem to be advisable to understand completely each other's views. Each of the nations resisting the courses of aggression now rampant in the world should endeavor to realize that the other nations are in the light of all considerations endeavoring to pursue the best possible courses and it therefore would seem to be desirable for each such nation to continue a resolute course in the present critical world situation.

You are authorized, if a favorable opportunity presents itself, to make oral use of the foregoing, or portions thereof, providing you believe that it might be helpful in commenting on the points raised by the Foreign Minister as reported in your telegram under reference.

HULL

711.94/2503 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, December 1, 1941—8 p. m.

[Received December 1—3:02 p. m.]

1874. For the Secretary and Under Secretary. 1. During the past few days I have talked with several prominent Japanese, most of whom appear to be already familiar with the terms of the Department's recent draft proposal⁵¹ and some of whom have been in direct personal touch with the Foreign Minister. They generally reflect a pessimistic reaction, emphasizing what they purport to regard as the unconciliatory "tone" of the draft and the difficulty of bridging over the Japanese and American positions. They all, however, appear to desire continuance of the Washington conversations.

2. In all recent talks I have emphasized my personal view that the American draft conveys a broad-gauge objective proposal of the highest statesmanship, offering to Japan in effect the very desiderata for which she has ostensibly been fighting and a reasonable and peaceful way of achieving her constantly publicized needs. The Japanese Government is now in a position to mould public opinion to the justified conception that Japan can now achieve without force of arms the chief purposes for which she has hitherto allegedly been fighting. These unofficial views have been indirectly conveyed to the Foreign Minister. I have furthermore expressed astonishment that the Prime Minister, at this critical moment, should have seen fit to deliver so bellicose an address as his speech yesterday,⁵² and I have indicated the serious and deplorable impression which that speech is bound to exert on the American Government and people.

3. Tonight's newspapers report that the Cabinet at its meeting today, while realizing the difficulty of adjusting the respective positions of the two countries, nevertheless determined to continue the Washington conversations.

GREW

793.94/17050

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁵³

[WASHINGTON,] December 2, 1941.

The attached copy of a message dated November 22 from the United States Treasury representative at Hongkong⁵⁴ contains statements

⁵¹ November 26, *Foreign Relations*, Japan, 1931-1941, vol. II, pp. 766 and 768.

⁵² See telegram No. 1869, December 1, 3 p. m., from the Ambassador in Japan, *ibid.*, p. 148.

⁵³ Noted by the Secretary of State.

⁵⁴ Not printed; it was transmitted to the Secretary of State by the Secretary of the Treasury (Morgenthau) in his letter of November 26, not printed.

based upon an interview with the former Chinese Vice Minister for Foreign Affairs in effect as follows:

1. There are "pro-Axis" and "peace" groups in the Chinese Government which consider that in the "negotiations" between the United States and Japan, the United States will yield to Japan to a large extent, and which see in these "negotiations" opportunities to consolidate their own position for their special interests in China. The "pro-Axis" group tries to arrange peace with Japan through Germany; the "peace group" tries to bring about peace by direct bargaining with Japan.

2. There is an anti-Axis group which hopes that the United States will itself bring about a peace involving the withdrawal of Japanese troops from North China.

3. The third principal body of opinion in China is in favor of continued active resistance and believes that a maximum possibility of peace is less than 50 percent, that the United States will not let China "get worst of bargain."

S[TANLEY] K. H[ORNBECK]

711.94/2594g

The Chinese Ambassador (Hu Shih) to the Adviser on Political Relations (Hornbeck) ⁵⁵

In three telegrams dated November 27 and 28, Dr. Quo Tai-chi and Generalissimo Chiang Kai-shek expressed their confidence in the President and the Secretary of State and in the fundamental principles of their foreign policy.

Both of them have studied my long telegram of November 24 reporting the discussions between the Secretary and the four envoys at the office of the Secretary, and also my report of the conversation between the Secretary and myself in his apartment on the evening of the 25th. Both the Generalissimo and the Foreign Minister were reassured by the sympathetic and helpful spirit underlying these conversations.

They wished me to point out to the United States Government the following facts which, because of very great distance, might not have been fully appreciated on this side of the ocean:

(1) The almost incredibly great faith of the Chinese people in the efficacy of the economic pressure on our enemy which has been in force for the last four months is such that the mere rumor of any possibility of its relaxation has already begun to produce a truly panicky feeling throughout China.

⁵⁵ Handed to Dr. Hornbeck by the Chinese Ambassador on December 2; noted by the Secretary of State.

(2) Such panicky feeling has been caused partly by Japanese propaganda which, during the past week (especially on November 24, 25, 26), had broadcast reports of an approaching general relaxation of freezing and trade restrictions by the United States and Japanese Governments on the understanding that Japan would undertake not to move southward and that the United States would not interfere with the war in China.

(3) The whole question is psychological and spiritual: It is a question of the morale of a whole people which has been fighting a very hard war for four years and a half, and which, in its hardship and long suffering, has pinned its great hope on the international situation turning in our favor and, in particular, on the economic sanctions that the democratic powers have been able to put into force during the last months. It is no exaggeration to say that this question fundamentally affects the spirit of our fighting forces and our people.

(4) In his telegram to me, the Foreign Minister tells me that the Government had information that a certain leader in the North (not specified by name⁵⁶) might be so shaken by a possible weakening of our international position as to make moves detrimental to the prosecution of our war of resistance.

Both Generalissimo Chiang and Dr. Quo want me to convey to the Secretary of State their observation that Japan has been so weakened by the long war in China and by the economic pressure of the democratic powers that she cannot afford to risk a war with the great naval powers.

In a latest telegram to me, Dr. Quo expresses great gratification in the latest reply of the Secretary to the Japanese envoys, which, he understands, reaffirms the fundamental principles repeatedly enunciated by the United States Government.

711.94/12-241

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)*

[WASHINGTON,] December 2, 1941.

QUESTION WHETHER THE DEPARTMENT SHOULD RELEASE TO THE PUBLIC
THE TEXT OF THE DOCUMENTS HANDED TO THE JAPANESE AMBASSADOR
ON NOVEMBER 26

It is difficult to come to a definite conclusion in regard to the question of the advisability of making public the documents which the Secretary handed to the Japanese Ambassador on November 26⁵⁷

⁵⁶ Notation by Dr. Hornbeck: "Yen Hsi-shan?"

⁵⁷ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 766 and 768.

until decision shall first have been arrived at on several other important questions. Among these questions are :

- (1) Whether this Government decides not to tolerate further and new steps of aggression by Japan ; and
- (2) Whether the President is to send a message to Congress on the Far Eastern situation and, if so, when.

The principal argument in favor of making the documents public is that the American public would be informed thereby of the full scope of the reply made by this Government to the Japanese Government, and the American public would be enabled to see for itself that this Government was taking a stand foursquare with the fundamental principles in which this country believes.

The disadvantages in making public the documents in question at this time may be outlined as follows :

- (1) The press in this country and the American public would construe the documents as something in the nature of an ultimatum to Japan, whereas they are now regarded as matters presented for consideration by the Japanese Government.

- (2) The statement in the documents that Japan will withdraw all her armed forces from China would, if made public at this time, be construed by China as a commitment on the part of the United States to see that that was accomplished. Moreover, there is no reference in the documents presented to the Japanese to the question of Manchuria, and China would almost certainly contend that the language as used in the documents presented to the Japanese Ambassador committed the United States to insisting that all Japanese armed forces be withdrawn from Manchuria and that Manchuria be regarded as all other parts of China. Any such claims on China's part would not be legally warranted by the language used in the documents under reference. However, that China would make use of the language along the lines indicated seems clear beyond doubt.

- (3) To make public at this time the text of the provision relating to the Tripartite Alliance would afford Germany a useful pretext toward influencing Japan to closer association with Germany. Even should we come to the point of war with Japan, it seems to me advisable that in our broad strategy we endeavor in so far as practicable to keep alive dissatisfaction and animosity between Germany and Japan.

The making public at this time of the documents handed the Japanese Ambassador will not, it is believed, "kill" the story that for a brief period this Government was giving tentative consideration to some sort of a temporary *modus vivendi* with Japan. It is believed, further, that the American people in general believe that the Government is taking a strong stand in discussions with Japan.

If this country should become involved in hostilities with Japan, practically all objection to making public the documents under reference would disappear. Even then, however, it would seem advisable

to make those documents public not by themselves but along with other documents giving a fairly complete account of the entire conversations.

In the meantime, if it should be felt that further publicity need be given to the contents of the documents under reference, it is suggested that the substance of the documents might be communicated orally to American correspondents as background.

740.0011 Pacific War/570 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, December 2, 1941—9 p. m.

5603. Your 4979, October 18, 4 p. m. Existing communication channels and procedures are considered wholly adequate for the transmission of urgent and important information and for insuring that information of this character receives the prompt attention of the appropriate high authorities in Washington. These arrangements provide for communication between the Commander-in-Chief, Asiatic Fleet, and the Commander-in-Chief, British Chain station, the Commander-in-Chief of the Netherlands Navy and the Chief of the Netherlands Navy Department in the Netherlands East Indies. Arrangements have also been made for local cooperation on the spot between American army and navy intelligence officers and their British counterparts.

In view of the foregoing it is not believe that any new arrangements need be made.

HULL

711.94/2600

The Ambassador in China (Gauss) to the Secretary of State

No. 230

CHUNGKING, December 3, 1941.

[Received January 19, 1942.]

SIR: I have the honor to refer to my telegrams, no. 463 of November 28, 10 a. m., and no. 465 of November 30, 10 a. m., and to enclose copies of memoranda of my conversations on November 27 and 29, with Dr. Quo Tai-chi, the Minister for Foreign Affairs, on the subject of American-Japanese discussions at Washington on the problems of the Pacific.⁵⁸

When the Minister for Foreign Affairs requested me to call on November 27, I had received no information from the Department on

⁵⁸ Enclosures not printed.

the progress of the American-Japanese discussions later than that contained in the Department's telegram No. 273 of November 22 [19], 3 p. m. Dr. Quo brought me up to date by translating from a telegram in Chinese received by him from Dr. Hu Shih, the Chinese Ambassador at Washington, a nine point draft of a proposed *modus vivendi* which he said had been submitted by the American Government for the information and consideration of the Chinese, British, Australian and Netherlands diplomatic representatives at Washington.

As detailed in the enclosed memorandum of my conversation, Dr. Quo then proceeded to stress the "apprehension; indeed resentment" which had been aroused by the proposed *modus vivendi*, emphasizing that it might have an "irreparable" effect on the Chinese public attitude and seriously threaten Chinese morale and the will to continue resistance. While asserting his confidence in the American Government and his own understanding of the situation which might suggest a delaying action for three months, Dr. Quo directed his attention principally to point seven of the proposed *modus vivendi*, which, he asserted, failed to conform the American position to the principles of the Nine Power Pact or the American declaration of principles of 1937. Apparently the Chinese Ambassador at Washington in reporting point seven used the Chinese characters which were translated as "desiring" but which I understand might be more accurately translated as "expecting". Point seven was rendered in English substantially as follows: "With reference to the Sino-Japanese conflict, the United States only desires to see a settlement based on law, order, peace, and justice."

The Department's telegram no. 277 of November 28, 7 p. m.,⁵⁹ outlining the draft of the proposed *modus vivendi* does not mention any such provision as that described to me by the Minister for Foreign Affairs as "point seven".

The official Chinese reaction to the proposed *modus vivendi* between the United States and Japan is not surprising to the Embassy. The Chinese have wished for the complete failure of the Japanese-American conversations and the early entry of the United States into war with Japan. The Chinese believe that no lasting peace can be had in the Far East until Japan is first crushed by armed force. As I reported when Consul General at Shanghai, shortly after the outbreak of the Sino-Japanese conflict at that port in 1937, Chinese resistance to Japanese aggression is largely based on the Chinese expectation that sooner or later Japan will clash with other powers having interests in the Far East and in the resulting armed conflict China will be saved from Japan.

That hope or expectation continues to inspire Generalissimo Chiang Kai-shek, who is the source and strength of the spirit of resistance in

⁵⁹ See footnote 23, p. 684.

China—resistance against compromise as well as against the armed aggression of Japan.

I believe that I am not overstating in saying that the Chinese attitude is almost one of resentment that the American-Japanese conversations in Washington were opened and patiently continued. Dr. Quo Tai-chi in saying to me that the proposed *modus vivendi* had caused “apprehension; indeed resentment”, for the moment apparently did not bear in mind that information regarding the proposal had reached only the highest Chinese government circles. His statement in my opinion undoubtedly reflects the attitude of Generalissimo Chiang, and the latter’s wife whose unrestrainedly critical attitude toward the United States and our failure precipitately to plunge our country into war with Japan has undoubtedly influenced the Generalissimo. The alarm and apprehension felt by the Generalissimo is undoubtedly reflected in his action in seeking to influence official American opinion through other than the regular diplomatic channels.

The Minister for Foreign Affairs seems to me, from my conversations with him, to take a calmer and broader view, reflecting a more intelligent understanding of international affairs; but his official attitude is undoubtedly directed and controlled by the Generalissimo upon whom he has not yet come to exercise any outstanding influence.

Respectfully yours,

C. E. GAUSS

711.94/2513 : Telegram

The Consul General at Batavia (Foote) to the Secretary of State

BATAVIA, December 4, 1941—10 a. m.

[Received December 4—9 : 19 a. m.]

220. War Department at Bandoeng claims intercepted and decoded following from Ministry Foreign Affairs, Tokyo :

“When crisis leading to worst arises following will be broadcast at end weather reports: (1) east wind rain war with United States, (2) north wind cloudy war with Russia, (3) west wind clear war with Britain including attack on Thailand or Malaya and Dutch Indies. If spoken twice, burn codes and secret papers.”

Same re following from Japanese Ambassador, Bangkok, to Consul General, Batavia :

“When threat of crises exists, following will be used five times in texts of general reports and radio broadcasts: (1) Higashi east America, (2) Kita North Russia, (3) Nishi west Britain with advance into Thailand and attack on Malaya and Dutch Indies.”

Thorpe and Slawson cabled the above to War Department. I attach little or no importance to it and view it with some suspicion. Such have been common since 1936.

FOOTE

740.0011 Pacific War/1456

Memorandum by Mr. Max W. Schmidt, of the Division of Far Eastern Affairs, of a Conversation With the First Secretary of the Japanese Embassy (Terasaki)

[WASHINGTON,] December 4, 1941.

Mr. Terasaki called on Mr. Schmidt at the Department and left with him the attached newspaper clipping, said to be taken from the *Washington Post* of December 4, 1941.⁶⁰

Mr. Terasaki said that he had been instructed by Mr. Kurusu to give this newspaper clipping to Mr. Ballantine and to inquire whether the remarks in the clipping attributed to the Secretary of State were correct.

Mr. Schmidt glanced at the newspaper clipping and said that he would be glad to give it to Mr. Ballantine when he came in. Mr. Terasaki said that he would like to have Mr. Ballantine call him or to have Mr. Ballantine send a reply to Mr. Terasaki in any way he saw fit.

Mr. Terasaki said that naturally newspaper reports of this sort were sent to Japan; that the Japanese people and possibly the Japanese Government might decide that it was no longer worthwhile to carry on with the conversations; and that the Embassy here might receive a telegram from the Japanese Government asking whether the newspaper report were correct or not.

740.0011 Pacific War/1095

Memorandum by the Assistant Chief of the Division of Far Eastern Affairs (Atcheson) ⁶¹

[WASHINGTON,] December 4, 1941.

Mr. Hayter, First Secretary of the British Embassy called on an officer of this Division this afternoon and stated that the British Ambassador in Tokyo had raised the question whether endeavor should not be made to effect an arrangement with the Japanese Government under which, in the event of British-Japanese hostilities, British and Japanese officials and nationals in the territory of the other would be withdrawn or exchanged. Mr. Hayter did not know whether the British Ambassador in Tokyo had in mind an arrangement designed also to be effective as regards Manchuria and Japanese-occupied areas of China. Mr. Hayter stated that the British Foreign Office, before acting in the matter, desired that the British Embassy discuss it with the Department with a view to learning our views.

⁶⁰ The 8-column headline of the story read: "U. S. and Japan Still Poles Apart, Hull Declares."

⁶¹ Initialed by the Chief of the Division (Hamilton).

Although it is possible that the Japanese Government would not be willing to enter into such an arrangement, especially with regard to Manchuria and occupied areas of China, it is believed that, for the sake of the personal safety of American officials and other American nationals, it would be advisable for this Government as well as the British to attempt to make such arrangement. Such attempt might, at this time, be advisable also in that it would be definite indication to the Japanese Government of the firmness of the American position in the present crisis and would be one means of impressing upon the Japanese Government the seriousness with which we view the present situation.

It is our opinion that, if endeavor is made to effect such an arrangement, earnest effort should be made to have included within its scope both the occupied areas in China and Manchuria. It seems to us that there is a fair possibility that American officials and other nationals in Japan would, in case of hostilities between Japan and this country, receive reasonably correct treatment (although such treatment in the case of nationals placed in concentration camps would naturally, because of the lower standard of living in Japan, involve much more physical discomfort than would be the case in this country). On the other hand it is likely that our officials in Manchuria, who have no official status vis-à-vis the "Manchukuo" regime, and our nationals there as well as our officials and nationals in occupied areas of China, might receive extremely harsh treatment especially as the Japanese military authorities in control of those areas are to be classed in general among the extremists and are in general anti-American.

The proposed agreement would seem necessarily to envisage assent on the part of this Government to the withdrawal from United States territory of a number of Japanese subjects many times as great as the number of American nationals in territory controlled or occupied by Japan.

The officer of this Division on whom Mr. Hayter called informed Mr. Hayter that the matter would be brought to the attention of the high officers of the Department and that the British Embassy would be informed as soon as it was possible to reach a conclusion. It is suggested that, if it is decided that endeavor will be made to effect the suggested arrangement, the American approach to the Japanese Government be made independently of the British.⁶²

As the making of such an approach would be interpreted by the American public as a definite indication that this Government expects

⁶² Comment was offered by certain interested officers of the Department: By the Adviser on Political Relations (Hornbeck): "No objection. Do not clearly perceive a need"; by the Legal Adviser (Hackworth): "No objection"; by the Chief of the Special Division (Green): "It would appear highly desirable to take such a step immediately"; by the Under Secretary of State (Welles): "I agree." The memorandum was noted by the Secretary of State.

war between Japan and the United States, the Secretary may wish to speak to the President in regard to the advisability of this Government's making such an approach at this time.

711.94/2515 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, December 4, 1941—9 p. m.
[Received December 4—8:20 p. m.]

1892. Domei report issued this afternoon too late for afternoon papers gives opinions of well-informed Japanese observers as follows. After stating that Secretary Hull's announcement⁶³ of certain details of Japanese-American negotiations [is] apparently designed for internal effect in United States [it] nonetheless raises doubts as to United States honesty in current negotiations, especially as issued at most delicate juncture of Japanese-American situation, with no sign conclusion despite passage of 17 days since resumption negotiations on arrival [of] Kurusu. Hull's statement, together with recent strengthening military anti-Japanese encirclement camp, creates a situation which demands utmost caution as statement is considered as one of various preparatory measures being undertaken [by] United States Government with a view to any contingency in connection with outcome negotiations and an attempt to eliminate any pro-Japanese sentiment among American people who are not yet necessarily ready to keep step with their government in strong policy against Japan. Hull's reference various principles to which United States subscribe indicates United States still scheming to oppose Japan on old obsolete principles incompatible with Far Eastern situation even in the past.

Domei cites same observers as of the opinion "it is utterly impossible for Japan to accept that which is stipulated in the American document of November 26⁶⁴ and that the logical conclusion is that such a document cannot serve as a basis for further Japanese-American negotiations".

In conclusion report states that observers in Tokyo note that despite the fact that two conferences have taken place since the presentation of the American document⁶⁵ there has been no evidence of any progress and that the unilateral disclosures by Secretary Hull of the negotiations have made the situation still more grave.

GREW

⁶³ Apparently a report of the press conference on December 3.

⁶⁴ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 768.

⁶⁵ See memoranda of November 27 and December 1, *ibid.*, pp. 770 and 772.

756D.94/193

*Captain Roscoe E. Schairmann, of the Office of Naval Operations, to
the Secretary of State*

WASHINGTON, December 4, 1941.

November 22nd the Special Naval Observer London informed the Chief of Naval Operations that Vice Admiral Furstner, Minister of Marine of the Dutch Government in London and Commander in Chief of All Dutch Naval Forces had received information that the Japanese were concentrating an expeditionary force in the Pelew Islands and that the Dutch Government were considering what it should do in case a Japanese expeditionary force should cross the Davao-Waigeo line or the equator east of that line, and that the Dutch Government were inclined to regard such a movement as a direct threat to the territories and interests of Great Britain and the United States, which should immediately be countered by force. The Dutch stated that before making up their minds they would like the views of the Chief of Naval Operations.

The Chief of Naval Operations replied that he discounted the information as to the assembly of an expeditionary force in the Pelews. That he was not in a position to offer advice as the question asked involved political questions, but authorized the Naval Observer London to express his views as to the importance of the Pelews for the protection of the Mandates and for an offense against the Philippines or the Netherlands East Indies.

December 3 the Special Naval Observer London reported that he has kept the British Admiralty informed of the above as the same subject has been discussed by the Dutch with the British. He suggested to the British Admiralty that it might be necessary for the Dutch to declare the area south of the Davao-Waigeo-Equator line an area dangerous to shipping, in order that Dutch forces might be free to take prompt action against suspicious vessels crossing from the North and from the East. The British Admiralty concurred that this would constitute a useful defense measure from the naval point of view. However it was essential for political reasons that the zone should be declared in as unprovocative a manner as possible and should be represented as a defense zone rather than as a dangerous zone.

The British Admiralty informed Furstner that they also doubted the accuracy of his information and suggested the Dutch take the matter up with the Foreign Office.

When the Dutch Foreign Minister visited Eden his proposal went beyond that of Furstner as it invited a joint declaration of a defense zone by the United States or Great Britain. After consulting the Admiralty, Eden replied to the Dutch Foreign Minister as follows: (A) That during the continuance of the present negotiations between

Japan and the United States, it was undesirable that any declaration be made unless there was the plainest evidence that the Japanese were preparing an expedition against the Netherlands territory, and that until more definite evidence becomes available that Japanese concentrations are threatening Dutch territory no declaration should be made. (B) That Great Britain recognizes the military value the declaration of a defense zone would have, but that it considers it would be less provocative to Japan and less prejudicial to the Washington negotiations if it were confined to a unilateral declaration by the Netherlands East Indies of a zone manifestly designed as a defense measure for their own shores. (C) That in similar circumstances His Majesty's Government had been compelled to make a unilateral declaration of a defense zone on the open seas off the coast of Johore when the Japanese concentrations on the border of Indo China began to constitute a threat to Malaya; the declaration of this zone in waters adjacent to British territory was plainly a measure of defense and at the time was accepted as such by Japan without serious criticism.

Mr. Eden therefore suggested that if a declaration should prove necessary the Netherlands Government should declare that certain military and naval defense measures have been taken in the area south and west of the Davao-Waigeo-Equator line and that accordingly all vessels intending to enter this zone must notify the Netherlands Naval authorities of their intention and call at specified ports for routing instructions. Such a declaration would be analogous to that made by His Majesty's Government off Johore and would not be likely to increase existing tension.

On December 4 the Chief of Naval Operations directed the Special Naval Observer in London to transmit to the Dutch and British Admiralties in London, the following views on the military aspect of this subject.

While the Chief of Naval Operations believes the November reports of a concentration in the Pelews were unfounded, the possibility of a Japanese attack from that region against the Philippines or Netherlands East Indies cannot be ruled out.

In regard to the Dutch project to declare areas south and west of the Davao-Waigeo-Equator line dangerous to shipping in order that Dutch Forces may attack suspicious vessels entering from the North and East, if this were done it would apply to all merchant shipping regardless of nationality and to British and United States Naval vessels as well as those of Japan. It is doubtful if the Dutch could establish promptly a control system which would not cause excessive delay to shipping important to the United States particularly to the shipping carrying reinforcements to the Philippines as all United States shipping between the United States and the Far East is routed via Torres Straits.

The declaration of this large area as a defense zone would hardly be analogous to the British declaration of the Johore area, as the latter area is a small one. The declaration of a large area of the high seas as a defense zone would create a precedent for Japan to close the Okhotsk Sea, Sea of Japan, the western part of the South China Sea, and the Gulf of Siam. If the United States acquiesced in the Dutch declaration, it would be difficult to object to similar declarations by the Japanese.

At present aid to Russia is being shipped via the Okhotsk Sea and Sea of Japan. The Dutch, British and United States are taking reconnaissance measures to cover areas considered dangerous. Shipments to Siberia and patrol measures should continue. The Chief of Naval Operations is convinced that the closing of the area west and south of the Davao-Waigeo-Equator area by the Dutch would be prejudicial to the naval and military interests of all three powers.

If the Dutch desire to give a warning to the Japanese the Chief of Naval Operations believes it should be in the form of a declaration to Japan, that if during the current situation Japanese Naval vessels or expeditionary forces cross the Davao-Waigeo line it would be considered a hostile act and the forces crossing this line would be attacked.

Ambassadors Winant and Biddle have been informed by the Special Naval Observer London of the contents of the memorandum.

R. E. SCHUIRMANN
By Direction

740.0011 Pacific War/1002

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] December 5, 1941.

The British Ambassador called at my apartment by his request.

He said he had a message from Eden, head of the British Foreign Office, setting forth the British view that the time has now come for immediate cooperation with the Dutch East Indies by mutual understanding. This of course relates to the matter of defense against Japan.

I expressed my appreciation.

C[ORDELL] H[ULL]

793.94/17043 : Telegram

The Consul General at Canton (Myers) to the Secretary of State

CANTON, December 5, 1941—5 p. m.
[Received December 5—9:42 a. m.]

94. My 92, December 2, 3 [4] p. m.⁶⁷ The eastward movement through Canton of Japanese troops from the West River area appears

⁶⁷ Not printed.

to have ceased. On the basis of close estimates [by] observers nearly 10,000 men and over 3,000 horses, including cavalry mounts, pack and dray animals passed along reservation [*rivershore?*] bund opposite Shameen during the past 3 days. It is believed that there are relatively few Japanese troops remaining in the above-mentioned area and that the bulk of two puppet divisions is stationed there.

There have been no reports of [a redistribution of troops?] to the east of Canton but the movement of supplies in that direction apparently continues, the despatch of large numbers of pack animals and several scores of carts loaded with ammunition having been seen this morning. Due to weather conditions in the past few days airplanes were grounded but today they have been fairly active.

Sent to the Department. Repeated to Chungking, Peiping. By pouch to Hong Kong.

MYERS

711.94/2547 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, December 5, 1941—5 p. m.

[Received 7: 50 p. m.]

1895. For the Secretary and Under Secretary only. You will no doubt be aware that the American proposal⁶⁸ is being represented here to the press and to the public as a mere restatement of "fanciful principles which ignore the realities of the situation", and that no intimation whatever has been given out that the proposal, if implemented, would provide Japan by peaceful and orderly processes with that security—political as well as economic—which she affects to seek by exercise of force. The response of most Japanese to whom we have said the American proposal, far from being a formulation of fanciful principles designed to preserve the old order of things, is a well-balanced, constructive, practical and forward-looking plan for creating order out of the disorders of the past, has been to express strong disappointment that the private individual is not in a position to form any intelligent opinion with regard to a matter of such supreme importance, while some have said that if the American proposal is actually such as we have described it to be, an attitude of intransigence on the part of the Japanese would be viewed with regret by the masses.

It is impossible to forecast precisely what effect publication of our proposal would have. Undoubtedly reaction to certain phases of the proposal, notably complete evacuation of China, would be strong and

⁶⁸ November 26, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 768.

indeed might be so violent as to eliminate the last possibility of an agreement. However, there would seem to be even greater risks of the elimination of that possibility if the points at issue continue in Japan to be befogged by ignorance and misrepresentation. I feel sure that you will have considered the wisdom of publishing the proposal as soon as possible after consultation with the Japanese Government but even without the latter's assent if that should not be forthcoming, publication to be accompanied by a statement substantially along the lines of the thought expressed in paragraph 2 of my 1874, December 1, 8 p. m.

A prominent Japanese in close touch with Government circles wrote to me in handwriting yesterday *inter alia* :

"The situation is most deplorable. I may understand how you feel and you know how I feel. Allow me to write to you frankly what I have now in my mind. After speaking with friends and studying their frame of mind I come to conclude that they feel without having the knowledge of the true nature of your document of the 26th November as if we received an ultimatum from Washington. Under such unfortunate psychology of your people the only way left us, I think, that your government will broadmindedly take our proposal as a base of discussion for the *modus vivendi* with a view of arriving at final settlement on the line of your proposal. From sheer desire for happy ending I have to write you."

I believe this letter to be a fair criterion of public opinion here.

GREW

711.94/25943a

*The Secretary of State to President Roosevelt*⁶⁹

[WASHINGTON,] December 6, 1941.

Pursuant to your request, there is sent you herewith a draft of a message from you to the Emperor of Japan.

I understand that, prior to sending the message to the Emperor, you have in mind sending a message to Chiang Kai-shek in which you would, without quoting the text of the message to the Emperor, outline to him the substance of the "stand-still" arrangement which you contemplate proposing to Japan.

From point of view of ensuring the confidential nature of your message to Chiang Kai-shek, it is suggested that you might care to call in the Chinese Ambassador and Dr. Soong, to impress upon both of them the urgency and secrecy of the matter, and to ask the Ambassador to communicate to Chiang Kai-shek, by his most secret code, your message.

⁶⁹ Drafted in the Division of Far Eastern Affairs.

[Annex]

*Draft Message From President Roosevelt to the Emperor of Japan*⁷⁰

[WASHINGTON,] December 6, 1941.

I feel I should address Your Majesty because of the deep and far-reaching emergency which appears to be in formation in relations between our two countries. Conversations have been in progress between representatives of our two Governments for many months for the purpose of preventing any extension of armed conflict in the Pacific area. It has been my sincere hope that this would be achieved and I am sure that it has equally been the sincere hope of Your Majesty.

Developments are now occurring in the Pacific area which threaten to deprive each of our nations and humanity of the beneficial influence of the long and unbroken peace which has been maintained between our two countries for almost a century. Those developments are suggestive of tragic possibilities.

In these circumstances, where continuance of present trends imperil the now tenuous threads which still hold our two countries in amicable relationship, I feel that no possibility should be overlooked which might serve to relieve the immediate situation and thus enable our two Governments to work out in a calmer atmosphere a more permanent solution. I am sure Your Majesty will share my feelings in this regard.

The history of both our countries affords brilliant examples in which your and my predecessors have, at other times of great crisis, by wise decisions and enlightened acts, arrested harmful trends and directed national policies along new and farsighted courses—thereby bringing blessings to the peoples of both countries and to the peoples of other nations.

With the foregoing considerations in mind I propose now the conclusion of a temporary arrangement which would envisage cessation of hostilities for a period of ninety days between Japan and China and an undertaking by each of the Governments most concerned in the Pacific area to refrain from any movement or use of armed force against any of the other parties during the period of the temporary arrangement. If the Japanese Government is favorably disposed toward conclusion of such an arrangement I would be glad promptly to approach the other Governments concerned with a view to obtaining their assent and commitment.

In order to give those Governments an incentive to enter into this arrangement, I further propose that, toward relieving existing appre-

⁷⁰ Drafted in the Division of Far Eastern Affairs. Penciled notation dated December 6: "The attached message was not sent [to the Japanese Emperor], but was superseded by a message drafted in the White House" (FE Files, Lot 244).

hensions, Japan reduce her armed forces in French Indochina to the number which Japan had there on July 26, 1941, and that Japan agree not to send new contingents of armed forces or materiel to that area during the ninety-day period of the temporary arrangement.

If the commitments above envisaged can be obtained, I would undertake as a further part of the general arrangement to suggest to the Government of Japan and to the Government of China that those Governments enter into direct negotiations looking to a peaceful settlement of the difficulties which exist between them. Such negotiations might take place in the Philippine Islands should the Japanese and the Chinese Governments so desire.

In as much as the Chinese Government has been cut off from its principal industrial areas, I believe it equitable that during the temporary period of the proposed arrangement the United States should continue sending material aid to China. I may add that the amount of material which China is able under present conditions to obtain is small in comparison with the amount of material that Japan would save through discontinuance of operations for a period of three months.

It is my thought that while this temporary arrangement would be in effect our two Governments could continue their conversations looking to a peaceful settlement in the entire Pacific area. The kind of solution I have had and continue to have in mind is one in which Japan, on the basis of application of the principle of equality, would be provided through constructive and peaceful methods opportunity for the freer access to raw materials and markets and general exchange of goods, for the interchange of ideas, and for the development of the talents of her people, and would thus be enabled to achieve those national aspirations which Japan's leaders have often proclaimed.

In making this proposal, I express to Your Majesty the fervent hope that our two Governments may find ways of dispelling the dark clouds which loom over the relations between our two countries and of restoring and maintaining the traditional condition of amity wherein both our peoples may contribute to lasting peace and security throughout the Pacific area.

740.0011 Pacific War/856

*President Roosevelt to the Secretary of State*⁷¹

[WASHINGTON,] December 6, 1941.

PROPOSED MESSAGE FROM THE PRESIDENT TO THE EMPEROR OF JAPAN

Almost a century ago the President of the United States addressed to the Emperor of Japan a message extending an offer of friendship

⁷¹ Transmitted to the Secretary of State on December 6, with the following handwritten note by President Roosevelt: "Dear Cordell: Shoot this to Grew—I think can go in gray code—saves time—I don't mind if it gets picked up. FDR".

of the people of the United States to the people of Japan. That offer was accepted, and in the long period of unbroken peace and friendship which has followed, our respective nations, through the virtues of their peoples and the wisdom of their rulers have prospered and have substantially helped humanity.

Only in situations of extraordinary importance to our two countries need I address to Your Majesty messages on matters of state. I feel I should now so address you because of the deep and far-reaching emergency which appears to be in formation.

Developments are occurring in the Pacific area which threaten to deprive each of our nations and all humanity of the beneficial influence of the long peace between our two countries. Those developments contain tragic possibilities.

The people of the United States, believing in peace and in the right of nations to live and let live, have eagerly watched the conversations between our two Governments during these past months. We have hoped for a termination of the present conflict between Japan and China. We have hoped that a peace of the Pacific could be consummated in such a way that nationalities of many diverse peoples could exist side by side without fear of invasion; that unbearable burdens of armaments could be lifted for them all; and that all peoples would resume commerce without discrimination against or in favor of any nation.

I am certain that it will be clear to Your Majesty, as it is to me, that in seeking these great objectives both Japan and the United States should agree to eliminate any form of military threat. This seemed essential to the attainment of the high objectives.

More than a year ago Your Majesty's Government concluded an agreement with the Vichy Government by which five or six thousand Japanese troops were permitted to enter into Northern French Indo-China for the protection of Japanese troops which were operating against China further north. And this Spring and Summer the Vichy Government permitted further Japanese military forces [avowedly for the same reason—protection against Chinese attack on Indo-China from the north.⁷³] *to enter Southern French Indo-China for the common defense of French Indochina.*⁷⁴ I think I am correct in saying that no [Chinese] attack has been made upon Indo-China, nor that any has been contemplated [by the Chinese Government.]

⁷³ These and subsequent bracketed words deleted in handwriting of the Chief of the Division of Far Eastern Affairs.

⁷⁴ These and subsequent italicized words substituted in the handwriting of the Chief of the Division of Far Eastern Affairs. President Roosevelt approved the revisions: "OK FDR".

During the past few weeks it has become clear to the world that [very large numbers of] Japanese military, naval and air forces have been sent to Southern Indo-China *in such large numbers* [to places so far removed from the defense area of Northern Indo-China] as to [constitute] *create* a reasonable doubt on the part of other nations that this continuing concentration in [Southern] Indo-China is [neither] *not* defensive in its character [nor directed against China at all].

Because these continuing concentrations in [Southern] Indo-China have reached such large proportions and because they extend now to the southeast and the southwest corners of that Peninsula, it is only reasonable that the people of the Philippines, of the hundreds of Islands of the East Indies, of Malaya and of Thailand itself are asking themselves whether these forces of Japan are preparing or intending to make attack in one or more of these many directions.

I am sure that Your Majesty will understand that the fear of all these peoples is a legitimate fear in as much as it involves their peace and their national existence. I am sure that Your Majesty will understand why the people of the United States in such large numbers look askance at the establishment of military, naval and air bases manned and equipped so greatly as to constitute armed forces capable of measures of offense.

It is clear that a continuance of such a situation is unthinkable.

None of the peoples whom I have spoken of above can sit either indefinitely or permanently on a keg of dynamite.

There is absolutely no thought on the part of the United States of invading Indo-China if every Japanese soldier or sailor were to be withdrawn therefrom.

I think that we can obtain the same assurance from the Governments of the East Indies, the Governments of Malaya and the Government of Thailand. I would even undertake to ask for the same assurance on the part of the Government of China. Thus a withdrawal of the Japanese forces from Indo-China would result in the assurance of peace throughout the whole of the South Pacific area.

I address myself to Your Majesty at this moment in the fervent hope that Your Majesty may, as I am doing, give thought in this definite emergency to ways of dispelling the dark clouds. I am confident that both of us, for the sake of the peoples not only of our own great countries but for the sake of humanity in neighboring territories, have a sacred duty to restore traditional amity and prevent further death and destruction in the world.

FRANKLIN D. ROOSEVELT

740.0011 Pacific War/856

The Secretary of State to President Roosevelt

WASHINGTON, December 6, 1941.

There is attached your message to the Emperor of Japan ⁷⁵ with page three of the message amended to take care of the point with regard to which I spoke to you on the telephone.

If you approve the draft as it now stands, we shall see that it gets off to Grew at once.⁷⁶

C[ORDELL] H[ULL]

740.0011 P. W./659 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, December 6, 1941—7 p. m.

816. Your 1868, November 29, 6 p. m. The Foreign Office note has been brought to the attention of the appropriate authorities of this Government.

In connection with this question, you may be interested to know that the Navy Department has been informed by the Governor of Guam that about noon on November 24 an unidentified two-motored airplane circled the southern extremity of Guam for about ten minutes flying at an altitude of approximately 15,000 feet.

HULL

711.94/2550 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, December 6, 1941—7 p. m.

[Received 8:19 p. m.]

1901. I learn from what is believed to be a reliable Japanese source that General Tojo's speech of November 30 ⁷⁷ had been seen neither by the Prime Minister nor by any other member of the Cabinet prior to its delivery. The speech was read by proxy as is commonly done in Japan. Observers point out that tone and substance of the speech

⁷⁵ *Supra.*

⁷⁶ President Roosevelt's handwritten notation in returning papers to the Secretary of State: "C. H. OK—send the amended p. 3 to the British Ambassador & send copy to me. FDR". President Roosevelt's message was transmitted in telegram No. 818, December 6, 9 p. m., to the Ambassador in Japan, with instructions to communicate it to the Japanese Emperor in such manner as deemed most appropriate by the Ambassador and at the earliest possible moment, addressed to "His Imperial Majesty, the Emperor of Japan." The telegram added that the press was being informed that the President was dispatching a message to the Emperor.

⁷⁷ See telegram No. 1869, December 1, 3 p. m., from the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 148; also memorandum and statement of December 2, *ibid.*, pp. 777 and 778.

differs entirely from the other utterances by Tojo and it is believed that the address was written by some person in the Imperial Rule Assistance Association.

GREW

711.94/254b : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, December 6, 1941—8 p. m.

817. An important telegram is now being encoded to you containing for communication by you at earliest possible moment text of message from the President to the Emperor.⁷⁸

HULL

711.94/2554c : Telegram

The Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, December 6, 1941—9 p. m.

286. Please communicate, in person if feasible, at the earliest possible moment to Chiang Kai-shek for his confidential information a copy of a message which the President is sending to the Emperor of Japan, reading as follows :

[Here follows text printed in *Foreign Relations, Japan, 1931-1941*, volume II, page 784.]

In communicating copy of this message to Chiang Kai-shek, please state orally as from the President that the quoted message has already been sent by the President to the Emperor; that this message, as the situation now stands, would seem to represent very nearly the last diplomatic move that this Government can make toward causing Japan to desist from its present course; that if the slender chance of acceptance by Japan should materialize, a very effective measure would have been taken toward safeguarding the Burma Road; and that it is very much hoped that Chiang Kai-shek will not make or allow to be spread in Chinese Government circles adverse comment.

HULL

711.94/2553 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, December 7, 1941—1 p. m.

[Received December 7—6:47 a. m.]

1904. On December 5 my British colleague spoke to the Foreign Minister about General Tojo's speech of November 30 which, coming

⁷⁸ Telegram No. 818, December 6, 9 p. m.; see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 784, footnote 70.

at a moment when Japan's foreign relations were so delicate, had made a deplorable impression throughout the world. The Minister replied that he wished to make two points: (1) the translation of the speech in the *Japan Times and Advertiser* was highly colored and such words as "vengeance" did not appear in the original; (2) the statement had been prepared on Saturday, November 29 by members of the Prime Minister's staff but, owing to the weekend, it had unfortunately not been possible to contact the Prime Minister himself before the statement was read out at one or two meetings on the following day. The statement had therefore not received the approval of the Prime Minister.

GREW

711.94/12-741

Memorandum by Mr. Joseph W. Ballantine to the Secretary of State

[WASHINGTON,] December 7, 1941.

MR. SECRETARY: It is suggested that when next the Japanese Ambassador calls ⁷⁹ you may wish to offer comment along lines as follows:

It will be recalled that last spring when the Japanese Ambassador first offered a proposal for a Pacific settlement as a basis for informal exploratory conversations we were given to understand that the Japanese Government shared the view of this Government that such a Pacific settlement should be founded squarely on principles of peace. Proceeding on the assumption that the Japanese Government desired to adopt courses of peace, this Government entered into informal exploratory conversations on the basis of the Japanese Government's proposal and with great patience endeavored to point out the respects in which in the opinion of this Government the Japanese Government's proposal was inconsistent with courses of peace. The United States has not asked for anything for itself in connection with such a settlement. It has asked only that such a settlement as might be arrived at be wholly in harmony with principles which this Government considers the only sound basis for worthwhile international relations. Under such circumstances it is obvious that the Government of the United States has not been in position to make concessions in the way of bargaining. It has felt, however, that the program it offers is one which would provide peace and stability under law and justice for the entire Pacific area. The Japanese Government has been representing that, whereas the United States has been maintaining an unyielding attitude in the conversations, the Japanese Gov-

⁷⁹ For final meeting on December 7, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 786. For statement on December 7 by the Secretary of State regarding the Japanese attack on the United States, see *ibid.*, p. 793.

ernment has been adopting a conciliatory attitude and has offered the utmost by way of concessions to meet the position of the United States. This Government is unable to perceive, however, that the Japanese Government has budged in any material respect from its original position. This position, as the United States sees it, amounts to an insistence upon obtaining a complete victor's peace over China—that is to say, upon complete realization of the very objectives which brought on Japan's conflict with China four and one-half years ago.

The Japanese Government maintains that it cannot agree to a proposal which would involve withdrawal of Japanese support from the Wang Ching-wei regime. The Government of the United States finds itself unable to reconcile such a position with the express desire of the Japanese Government that the President exercise his good offices in bringing the Chinese Government at Chungking into direct negotiations with the Japanese Government. Under these circumstances the Government of the United States is at a loss to understand what purpose the Japanese Government has in view in entering into negotiations with the Chinese Government at Chungking.

The Japanese Government makes it clear that it is still intent upon compensation from China for Japan's "sacrifices" in its conflict with China and upon realization of the so-called "New Order in East Asia" and the "Co-prosperity Sphere". Such concepts in the opinion of this Government are utterly at variance with this Government's concept of what should constitute the basis of a Pacific settlement if there is to be assured a stable peace under law, order and justice in the Pacific area.

WARTIME COOPERATION AMONG THE UNITED STATES,
THE BRITISH EMPIRE, CHINA, AND THE NETHER-
LANDS AFTER DECEMBER 7; DECISION OF THE SOVIET
UNION TO REMAIN NEUTRAL IN THE PACIFIC WAR

740.0011 Pacific War/954

*Memorandum by the Assistant Chief of the Division of Far Eastern
Affairs (Atcheson) of a Conversation With the First Secretary
of the British Embassy (Hayter)*

[WASHINGTON,] December 7, 1941.

Mr. Hayter telephoned Mr. Atcheson at three o'clock this afternoon and stated that his Embassy had just received an urgent telegram from the British Foreign Office inquiring whether the United States was now in a state of war. The British Foreign Office desired this information in connection with the Prime Minister's¹ recent declaration indicating that Britain would declare war within one hour after the United States became at war. After referring this inquiry to the Secretary's office, Mr. Atcheson telephoned to Mr. Hayter and stated that the Secretary had been informed of the inquiry and was on his way to the President and that we would get a reply to the British Embassy as soon as possible after the Secretary's return.

Mr. Hayter stated that the information was urgently necessary so that the British could "get going".

740.0011 P. W./911

*Memorandum by Mr. Joseph E. Davies, of Washington*²

MEMORANDUM OF CONFERENCE HAD WITH AMBASSADOR LITVINOV³
UPON HIS ARRIVAL DECEMBER 7, 1941

When Ambassador and Mrs. Litvinov were lunching with me alone, word came of the Japanese attack. Litvinov asked me how I felt about it. I replied that it was a terrible thing, but it was providential. It assured unity in this country. It also assured a united battle front of the non-aggressor great nations. It was now "all for one and one for all."

¹ Winston Churchill.

² Copy transmitted to the Under Secretary of State (Welles) in covering letter dated December 8 from Mr. Davies, former Ambassador to the Soviet Union. In a telephone conversation on the evening of December 8 Mr. Davies told Mr. Welles that the original was being sent to President Roosevelt that evening. Mr. Welles on December 9 forwarded the copy to the Secretary of State.

³ Maxim M. Litvinov, newly arrived Soviet Ambassador in the United States.

I asked him how he felt about it. He said that had the United States come into the war earlier it would have undoubtedly thwarted Hitler. He was not so sure that it was advantageous now. I gathered that what was in the back of his mind was that this development would prevent the delivery of vital war materials to Britain and Russia.

I asked him if that was what he thought would be the reaction of his government. He said that he could not say. He had been out of touch with his government for three or four weeks. He intimated that his government had been handling Japan gingerly, under the non-aggression pact, to avoid war on two fronts.

Madame Litvinov expressed great concern over Moscow. In reply to my question she said that if Moscow fell it would have a bad effect on the morale of the Soviet people. I did not press the discussion further.

The matter of air bases in Siberia and Kamchatka and the question of Soviet bombing of Japan from Vladivostok is vital. Hitler will decide it. If by his direction the Jap forces in Manchukuo attack Russia the problem becomes academic.

If on the other hand, Japan may have been able to prevail upon Hitler not to require such a pincer movement against the Soviets because of the bombing danger, then the problem will be vital. The question of policy will then arise as to whether it is better to try to get the Soviets to attack and aid us or not. We might win the battle, but hazard the war.

If the Soviet should be defeated by an attack on two fronts; or if they should lose heart, it might affect the ultimate issue.

The Soviets, if attacked by Japan and Germany, might be in a desperate plight, or think that they were. Particularly is this true if the Germans cut the Murmansk rail line of supply. Shipments by way of the Persian Gulf in the Caspian sea are also dubious. The limited rail facilities are accentuated because of lack of harbor equipment on the south shore of the Caspian.

740.0011 Pacific War/890 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, December 8, 1941—1 a. m.
[Received December 10—6:58 a. m.]

1906. Department's 818, December 6, 9 p. m.,⁴ was received and decoded late this evening⁵ and I was able to see the Foreign Min-

⁴ Not printed; it transmitted President Roosevelt's message to the Emperor of Japan, printed in *Foreign Relations*, Japan, 1931-1941, vol. II, p. 784.

⁵ December 7.

ister⁶ immediately thereafter at 12:15 a. m., when I requested an audience with the Emperor at the earliest possible moment in order to communicate the President's message directly. The Minister said that he would present my request to the throne and would communicate with me thereafter. I read to him and left with him a copy of the message.

GREW

740.0011 Pacific War/741: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 8, 1941—4 a. m.
[Received December 7—10:40 p. m.]

5929. Personal to the Secretary for the President. It was great to talk to you. The Prime Minister is calling Parliament to meet at 3 o'clock this afternoon. Would it be best for him to ask for a declaration of war at that time or simply describe what had taken place and say that we would ask for a declaration of war within an hour after we had declared war which he has pledged to do?

I am thinking of the difference in time and that you might want to address the joint session prior to a British declaration of war.

The Prime Minister wanted you to know that he sent the following private and secret message to de Valera:⁷

"Now is your chance. Now or never! A nation once again! I am very ready to meet you at any time."

If you also would like to send de Valera a message you might want me to deliver it. We are old friends and I understand he gives me some credit for persuading the government here to abandon conscription in Northern Ireland.

I hope people at home will relate the tactic pursued and the action taken by Japan to German instigation and collaboration under the tripartite pact.

I am back at the Embassy.

WINANT

740.0011 P. W./741: Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 8, 1941—8 a. m.

5743. From the President. Your 5929, December 7 [8], 4 p. m. [a. m.] "I think it best on account of psychology here that formal

⁶ Shigenori Togo.

⁷ Eamon de Valera, Irish Prime Minister.

British declaration of war be withheld until after my speech⁸ at 12:30 Washington time. I am asking for declaration.⁹ Any time after that would be wholly satisfactory.¹⁰

Delighted to know of message to de Valera. Roosevelt.”

HULL

740.0011 Pacific War/1094

Memorandum by Mr. Theodore C. Achilles of the Division of European Affairs

[WASHINGTON,] December 8, 1941.

The British Embassy states that a telegram was despatched by the Foreign Office at 5:00 p. m. London time to the British Ambassador at Tokyo¹¹ instructing him to deliver the following note to the Japanese Foreign Office:

“On the evening of December 7 His Majesty’s Government in the United Kingdom learned that Japanese forces without previous warning either in the form of a declaration of war or in the form of an ultimatum with a conditional declaration of war had attempted a landing on the coast of Malaya and bombed Singapore and Hong Kong.

“In view of these wanton acts of unprovoked aggression committed in flagrant violation of international law and particularly of Article I of the Third Hague Convention¹² relative to the opening of Hostilities to which both Japan and the United Kingdom are parties, I have the honor to inform the Imperial Japanese Government in the name of His Majesty’s Government in the United Kingdom that a state of war exists between the two countries.”

740.0011 Pacific War/1181

The Netherland Minister (London) to the Under Secretary of State (Welles)

WASHINGTON, December 8, 1941.

MY DEAR MR. WELLES: Late yesterday afternoon I had the pleasure to inform you orally during our conversation that the Netherlands Government would declare itself at war with Japan.

⁸ For text of President Roosevelt’s message to Congress on December 8, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 793.

⁹ For the declaration of a state of war with Japan, see *ibid.*, p. 795.

¹⁰ British Prime Minister Churchill made his statement to the House of Commons at 3 p. m., London time (10 a. m., Washington time), December 8; for text, see United Kingdom, *Parliamentary Debates*, House of Commons, 5th series, vol. 376, p. 1358.

¹¹ Sir Robert L. Craigie.

¹² *Foreign Relations, 1907*, pt. 2, p. 1201.

This has since been confirmed by a telephone message which I received last night at 8:30 p. m. from H. M.'s Government in London and which reads as follows:

"The Netherlands Minister at Tokio¹³ has been instructed to inform the Japanese Government that whereas Japan has opened hostilities against two powers with which the Netherlands entertains most friendly relations, the Netherlands Government therefore considers herself also at war with Japan."

Believe me [etc.]

A. LOUDON

740.0011 P. W./891 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, December 8, 1941—1 p. m.

[Received December 10—6:23 a. m.]

1910. Embassy's 1906, December 8, 1 a. m.

1. The Foreign Minister at 7 o'clock this morning asked me to call on him at his official residence.

2. He handed me a 13-page Memorandum, dated today,¹⁴ which he said had been transmitted to the Japanese Ambassador in Washington to present to you this morning (evening of December 7th, Washington time). He said that he had already been in touch with the Emperor who desired that the aforesaid Memorandum be regarded as his reply to the President's message.

3. The Foreign Minister thereupon made to me the following oral statement:

"His Majesty has expressed his gratefulness and appreciation for the cordial message of the President. He has graciously let known his wishes to the Foreign Minister to convey the following to the President as a reply to the latter's message:

Some days ago, the President made inquiries regarding the circumstances of the augmentation of Japanese forces in French Indochina¹⁵ to which His Majesty has directed the Government to reply. Withdrawal of Japanese forces from French Indochina constitutes one of the subject matters of the Japanese-American negotiations. His Majesty has commanded the Government to state its views to the American Government also on this question. It is, therefore, desired that the President will kindly refer to this reply.

Establishment of peace in the Pacific, and consequently of the world, has been the cherished desire of His Majesty for the realization of which he has hitherto made his Government to continue its earnest endeavors. His Majesty trusts that the President is fully aware of this fact."

GREW

¹³ Gen. J. C. Pabst.

¹⁴ See *Foreign Relations, Japan, 1931-1941*, vol. II, p. 787.

¹⁵ See memorandum of December 2, 1941, *ibid.*, p. 778.

740.0011 Pacific War/854e : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, December 8, 1941—3 p. m.

5749. For the Former Naval Person¹⁶ from the President.

“The Senate passed the all-out declaration of war 82 to nothing, and the House has passed it 388 to 1. Today all of us are in the same boat with you and the people of the Empire and it is a ship which will not and cannot be sunk.”

HULL

740.0011 Pacific War/816 : Telegram

*The Ambassador in the United Kingdom (Winant) to the Secretary
of State*

LONDON, December 8, 1941—4 p. m.

[Received December 8—10 : 55 a. m.]

5936. For the President. Your 5743, December 8, 8 a. m. Although we were waiting for your message and it was decoded and communicated by telephone by me at once, the House had already been called to order and the Prime Minister was speaking when it was handed to him. He felt he could not change his address at that time. The Foreign Office had already acted. I am terribly sorry.

I am cabling separately text of his address.

WINANT

740.0011 P. W./835 : Telegram

The Consul General at Batavia (Foote) to the Secretary of State

BATAVIA, December 8, 1941—5 p. m.

[Received December 8—4 : 52 p. m.]

225. At 6 : 30 this morning the Governor General in a broadcast to the Netherlands Indies referred to Japan's attack on British and American territory even while negotiations were still going on in Washington, mentioned Japan's aim to dominate this part of the world and then said, “The Netherlands Indies Government accepts this challenge and takes up arms against the Japanese Empire.”

All Japanese were rounded up and taken into custody within one hour after the official announcement that this country was at war with Japan.

All classes of the population are calm and there are no signs of fear or panic.

FOOTE

¹⁶ Code name for Winston Churchill.

740.0011 Pacific War/815: Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, December 8, 1941—6 p. m.

[Received December 9—3:15 a. m.]

481. Chiang Kai-shek¹⁸ summoned me this afternoon with Soviet Ambassador.¹⁹ Foreign Minister²⁰ also present. British Ambassador²¹ absent in Chengtu will be informed later.²²

Chiang made following statement and later asked that it be sent as from him to the President:

1. Despite sincere efforts by United States in recent conversations with Japan to settle by peaceful means various questions bearing on the Pacific, Japan has suddenly launched attack on United States and Britain. This latest act of international brigandage by Japan has even taken us by surprise. Fact that attack was made while Japan envoys were continuing talks in Washington shows plan of aggression premeditated.

2. Chinese Government now holds itself in full readiness to collaborate regardless of all further sacrifices in any concerted military plan which United States, Britain, Australia, New Zealand, Canada, Holland and Soviet Russia may adopt against Japan and her Axis partners.

3. Chinese Government has decided to declare war against Japan as well as her partners, Germany and Italy.

4. In order make possible full concerted action, Chinese Government deems it imperative that every member of anti-aggression block should consider as common enemy every member of Axis group. We therefore suggest simultaneous declaration of war by United States against Germany and Italy and by Soviet Russia against Japan should be made.

5. For effective and successful prosecution of war, Chinese Government considers essential conclusion of a military alliance between Soviet, United States, Britain, Australia, New Zealand, Canada, Holland and China with the unified command of allied moves under American leadership.

6. Chinese Government proposes an agreement be concluded between countries above-mentioned not to sign any separate peace.

GAUSS

¹⁸ President of the Chinese Executive Yuan (Premier).

¹⁹ Alexander S. Panyushkin.

²⁰ Quo Tai-chi.

²¹ Sir Archibald J. K. Clark Kerr.

²² On December 9 Gen. John A. Magruder, head of American Military Mission to China, reported another meeting with Generalissimo Chiang, when the British Ambassador also was present, to discuss the situation and military plans.

740.0011 Pacific War/815

Memorandum by the Adviser on Political Relations (Hornbeck) ²³

[WASHINGTON,] December 9, 1941.

Reference: Chungking's telegram no. 481, December 8, 1941, 6 p. m.
From point of view of theory, these suggestions are eminently sound.

From point of view of practice, the suggestion made in paragraph five is probably impossible of serious consideration.

The suggestion made in paragraph six should in my opinion be given serious consideration immediately.

The suggestion made in paragraph four should likewise be given as to its purport serious consideration immediately.

S[TANLEY] K. H[ORNBECK]

740.0011 P.W./916

The Australian Minister (Casey) to the Secretary of State

No. 266/41

WASHINGTON, December 9, 1941.

SIR: I have the honour to inform you that I have been advised by my Government that the Australian Chargé d'Affaires at Tokyo has been instructed to inform the Imperial Japanese Government that a state of war exists and has existed between His Majesty's Government in the Commonwealth of Australia and the Imperial Japanese Government as from 5 o'clock in the afternoon of the 8th December, 1941.

I have [etc.]

R. G. CASEY

740.0011 Pacific War/1086

Memorandum of Conversation, by the Under Secretary of State (Welles)

[WASHINGTON,] December 9, 1941.

Dr. T. V. Soong ²⁴ called to see me this afternoon.

Dr. Soong asked if I would transmit to the President the following message from General Chiang Kai-Shek. The latter wished the President to know that China was prepared to declare war immediately upon Japan, Germany and Italy. The Generalissimo, however, said at the same time that this message was sent to Dr. Soong a message was sent urging the Russian Government to declare war upon Japan

²³ Noted by the Secretary of State.

²⁴ Generalissimo Chiang Kai-shek's personal representative in the United States.

simultaneously with the declaration of war by China. Chiang had informed Stalin²⁵ that, if Russia and China were both to declare war now upon Japan, Russia could do great damage at this critical moment to Japanese bases and communications. He was awaiting the reply from the Russian Government.

He wished the President further to know as an interesting sidelight that the Russian Military Attaché in Chungking had called yesterday upon the Generalissimo and had intimated that Russia would withhold for the time being a declaration of war upon Japan for fear that if Russia were now to declare war the United States would not be willing to concentrate its full war effort upon Japan and thus hold Japan in check while Russia was continuing its fight in the western front.

The Generalissimo therefore wished to know whether the President had any information regarding the Russian attitude and whether the President believed that the Chinese Government should withhold a declaration of war upon the Axis powers until the Russian attitude was clarified or whether it should go ahead immediately.

I told Dr. Soong that I would transmit this message to the President as soon as possible and inform him of any views which the President might wish to express.

S[UMNER] W[ELLES]

740.0011 Pacific War/1302

*Mr. Owen Lattimore*²⁶ to *Mr. Lauchlin Currie*, Administrative Assistant to President Roosevelt²⁷

CHUNGKING, December 9, 1941.

CURRIE: Generalissimo today telegraphed T. V. Soong, Hu Shih²⁸ [to] consult President and Soviet Ambassador urging prompt simultaneous Soviet-Chinese declaration [of] war on Japan following American declaration. Coordinated Chinese-Soviet land action essential because only Soviet can attack both by sea and air and thus [this?] (is) key to joint land, sea, air war by all democracies whereas if Soviet hesitates Japan can fight democracies piecemeal. Even without Soviet, China unhesitatingly prepared [to] follow American declaration, but if China declared war without waiting for Soviet afraid Soviet may delay longer. Foregoing message additional to formal diplomatic proposals [for] simultaneous American-Chinese declarations [of] war on Germany, Italy, and Soviet declaration on Japan, because Generalissimo anxious [to] use every approach to

²⁵ Iosif Vissarionovich Stalin, Chairman of the Council of Commissars (Premier) of the Soviet Union.

²⁶ American Political Adviser to Generalissimo Chiang Kai-shek.

²⁷ Copy of telegram received in the Department December 13.

²⁸ Chinese Ambassador in the United States.

Soviet, including Washington, in order [to] insure undelayed Soviet participation. Soviet Military Attaché hinted that [if] Soviet fights Japan America might not concentrate main effort in Pacific. Clear indication that American[s] will give priority to Pacific over Atlantic until Japan settled would undoubtedly bring Soviet in.

OMITA

740.0011 Pacific War/1016c: Telegram

The Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, December 9, 1941—6 p. m.

291. Please deliver to Generalissimo Chiang Kai-shek the following message from the President: ²⁹

“Japan first treacherously attacked and then declared war upon the United States. The Congress has declared the existence of a state of war between the United States and Japan.

In the valiant struggle of resistance which China has carried on for four and a half years against the invading forces of a predatory neighbor, China has been made aware of this country’s sympathy in principle and in practice. China is now being joined in her resistance to aggression by a host of other nations that have been menaced by Japan and the movement of conquest in which Japan is a major participant.

The struggle cannot be easily or quickly brought to a successful end. It will demand of all who are entering it, as it has demanded and will demand of you and your courageous people, concentrated effort and intensive devotion to the common cause of vanquishing the enemy and thereafter establishing a just peace. I take pride in my country’s association with you and the great nation which you lead. I am wholly confident that the struggle in which we are engaged in common with other gallant nations will forge stronger the bonds of traditional friendships and will result inevitably in complete elimination of the lawless forces against which your effort, our effort, and the efforts of our associates are now individually and collectively directed.”

Sent to Chungking.

HULL

740.0011 P. W./877: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, [December 9, 1941(?)]

[Received December 10—2:35 a. m.]

The following note was received yesterday:

“Ministry of Foreign Affairs, Tokyo, December 8, 1941. Excellency, I have the honor to inform Your Excellency that there has

²⁹ In submitting the draft of this message to President Roosevelt on December 9, the Secretary of State wrote: “It is our opinion that you can send the attached to the Generalissimo and we suggest your doing so. You remember that Mr. Churchill did something similar yesterday and with some effect.” President Roosevelt wrote in a notation: “O. K., F. D. R.”

arisen a state of war between Your Excellency's country and Japan beginning today. I avail, et cetera. (Signed) Shigenori Togo, Minister for Foreign Affairs."

GREW

740.0011 Pacific War/1302

*Generalissimo Chiang Kai-shek to Dr. T. V. Soong*³⁰

Please convey to the Secretary of War and the Secretary of the Navy my utmost indignation at the dastardly Japanese attack on Pearl Harbor, and my deepest sympathy for the losses sustained by the armed forces of the United States.

In the Far Eastern zone of hostilities I have already given orders for immediate operations to relieve Hongkong. We have also decided upon an attack on the Japanese in Indo-China, which will be launched as soon as a joint Far Eastern plan of campaign has been definitely agreed upon.

I summoned the British and American military attachés last night and conveyed to them China's unalterable decision to do its utmost and share the fortunes of the war with the two countries unflinchingly.

What is urgently needed now is the immediate creation of an Inter-Allied War Council, under the leadership of the United States, which should begin to function at once. Otherwise all our countries are in danger of being beaten in detail.

CHIANG KAI-SHEK

CHUNGKING, December 9, 1941.

740.0011 Pacific War/1086

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] December 10, 1941.

Reference, Mr. Welles' memorandum of conversation with Dr. T. V. Soong December 9.

Mr. Welles called me in last evening and, in my presence, telephoned to Dr. Soong.

My understanding of what Mr. Welles said to Dr. Soong was that he, Mr. Welles, had spoken with the President; that the President did not take at face value the views expressed by the Russian Military Attaché in Chungking to Chiang Kai-shek, as recorded; and that the President felt that the Chinese Government should go ahead with a declaration of war (upon the Axis powers).

S[TANLEY] K. H[ORNBECK]

³⁰ Copies of telegram transmitted on December 11 by Dr. T. V. Soong to the Secretary of War (Stimson) and the Secretary of the Navy (Knox); copy transmitted to the Secretary of State by the Secretary of War, December 11.

740.0011 Pacific War/815 : Telegram

The Secretary of State to the Ambassador in China (Gauss)

WASHINGTON, December 10, 1941—6 p. m.

293. Your 481, December 8, 6 p. m. Please inform Generalissimo Chiang Kai-shek as from the President that the President deeply appreciates the attitude of the Generalissimo and of the Chinese Government as expressed by General Chiang to you on December 8. State also that the suggestions made by General Chiang at that time are receiving prompt attention and careful study.³¹

HULL

740.0011 Pacific War/891 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, December 10, 1941.

824. Department received today your telegrams 1906 and 1910 of December 8, together with your undated telegram which contained Foreign Office note in regard to existence of state of war between the United States and Japan.

We hope that all goes well with you and your staff and other Americans in Japan. Department has notified families of Embassy staff that you are all safe and well.

HULL

740.0011 Pacific War/1291

Memorandum of Conversation, by the Under Secretary of State (Welles)

[WASHINGTON,] December 10, 1941.

The Chinese Ambassador called this evening to see me at his request.

The Ambassador left with me the texts of his Government's declarations of war upon Japan and upon Germany and Italy. These are attached herewith.³²

The Ambassador also left with me a personal message addressed by the Generalissimo to the President.³³ I told the Ambassador I would transmit this at once to the President, who I knew would be very deeply moved by this message. A copy of this message is likewise attached herewith.

S[UMNER] W[ELLES]

³¹ In his telegram No. 492, December 13, 6 p. m., Ambassador Gauss reported to the Department that "Generalissimo has been informed". (740.0011 Pacific War/1045)

³² Dated December 9; for texts, see Department of State *Bulletin*, December 13, 1941, p. 506.

³³ See *ibid.*, p. 508.

740.0011 Pacific War/1065

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] December 11, 1941.

The Ambassador of Soviet Russia called at my request. He stated that earlier today he had conferred with Harry Hopkins³⁴ in regard to our policy of carrying out fully our Lease-Lend allocations to Russia for war purposes. He then said that he came in contact with the President during this visit to Hopkins and that they talked over the situation in regard to cooperation between the United States and Russia and other countries opposing Germany, Japan and Italy in the world war. Without going into detail concerning the conversation between himself and the President, he proceeded to say that he had received the final decision of his Government today and that it was not in a position to cooperate with us at present in the Japanese Far Eastern area; that his Government is fighting on a huge scale against Germany and that to take part with us in the Far East would mean a prompt attack by Japan, which would result in serious fighting on two fronts by Russia. In those circumstances his Government felt that it should obtain better and more secure control of the situation over Germany in Europe and the west. This was the substance of his contention, which was rather positively stated.

I replied that, of course, if his Government has its mind made up about the matter, there is not much more to be said at this time. I stated that during last January information that I considered absolutely reliable came to me to the effect that Hitler would attack Russia sometime around May of this year. I had requested Mr. Welles to convey that fact to the Soviet Government³⁵—a fact, however, that they did not accredit at the time. I added that I now have information I deem equally reliable to the effect that Japan, notwithstanding the terms of the Russo-Japanese neutrality agreement,³⁶ is now under the strictest commitment to Germany to attack Russia and any other country fighting against Germany, whenever Hitler demands that Japan do so, and that this arrangement contemplated that Japan would first attack the United States and Germany and Italy would join, and that at a given time later—at any time demanded by Germany, in fact—Japan would carry out this agreement to attack Russia.

³⁴ Harry L. Hopkins, Special Assistant to President Roosevelt.

³⁵ See memorandum of March 20 by Mr. Welles, Department of State, *Peace and War: United States Foreign Policy, 1931-1941* (Washington, Government Printing Office, 1943), p. 638; see also *Memoirs of Cordell Hull* (New York, The Macmillan Company, 1948), vol. II, p. 968.

³⁶ See telegram No. 763, April 13, 11 p. m., from the Ambassador in the Soviet Union, p. 944.

The Ambassador seemed very much interested in this but still did not seriously attempt to discuss it, although indicating that he did not doubt the truth of it. I said that, of course, this is a world movement in its practical effects and that these international desperadoes, operating together in all mutually desirable respects, will not cease their movements of conquest voluntarily; that somebody must stop them; that they will not be stopped by merely slowing down one phase of this world movement and world combination of invaders; that, therefore, if this world movement and method of resisting and suppressing it is to be dealt with effectively, it must be considered as a whole and the fact must be realized that the movement of resistance must be carried on in each part of the world at the same time. He did not disagree with this.

I then said that if this Government could get two air bases, one on the Kamchatka Peninsula and one around Vladivostok, our heavy bombers could get over Japanese home naval bases and the home fleet, as well as over the cities. The Ambassador did not argue the former but suggested that bombing of cities did not necessarily settle the matter in view of experiences in Moscow, London and other cities.

I emphasized the extreme importance right now and each day hereafter of obtaining these two bases for the purpose of permitting our aircraft to operate over all portions of Japan from the air. I said that we could scarcely do so without them, and that, therefore, it is a matter of very great importance to the present resistance to Japan by us—that, in fact, there is no substitute for effective attacks just now when compared with the injury that we could and would inflict from the air.

The Ambassador then inquired whether Singapore could defend itself successfully in the present circumstances, to which I replied that forces from all of the other countries, from Australia across to Singapore and to the Philippines were unifying themselves and coming to the aid of Singapore and that probably they would be able to hold out successfully. The Ambassador inquired if they had a unified command over there, to which I replied that there was the fullest confidence among staff officers and others in each of the countries interested, which was the next thing to unified command but, of course, is not that in some respects.

I again brought up quite a number of circumstances and conditions illustrating the world nature of this movement of conquest and the extreme dangers of more and more cooperation between Japan and Germany, such as the possibility of the Japanese fleet going across the Indian Ocean to the Persian Gulf oil fields, to the mouth of the Canal, to the Cape of Good Hope, and, if Germany should be successful in her contemplated African invasion, Japan on the sea would meet her on the African Coast, extending up towards French Africa,

and that the effect of this on the whole British European situation would be terrific, with the result that Hitler and Japan would have a new lease on life, the effects of which would be terrible on all of us, including Russia. The Ambassador nodded his head and spoke in the affirmative but did not discuss these views.

Throughout the conversation I constantly came back to the point that if Russia should refrain from cooperation with us in the East while we continue to aid her, there will be a constant flow of criticism about why we are aiding Russia in a world movement involving all alike and Russia in turn is not cooperating with us in the Far East. I said I issued a statement today³⁷ in an effort to allay some of this very kind of rising criticism and that it will become an increasingly serious matter for both governments.

After bringing this up several times, the Ambassador always agreeing, I finally remarked that it is highly important for some kind of formula to be worked out in regard to what each government is doing and should do and that at present I am unable to formulate a statement on this subject, which is a most difficult thing to do.

The Ambassador inquired if I had any suggestions or propositions to offer on this or in a general way. I replied that since he informed me that the President and he have gone over these phases I need not go into them now. I then added that, having just arrived here on Sunday, there has been no time before today for him to get settled and find out something about the general situation from his Government preliminary to a conversation between us touching such matters as cooperation in the war against the Tripartite group, and since his Government has made up its mind on the governing question, there is not much, as far as I can see, for me to take up with him just now. I then invited him to keep this question of cooperation in the East, as well as in the West, especially in mind and lend his cooperation to improve the situation in these respects because it will call for every possible attention as we go along hereafter.

C[ORDELL] H[ULL]

740.0011 Pacific War/1663

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Secretary of State*³⁸

[WASHINGTON,] December 12, 1941.

MR. SECRETARY: We feel that the best and most feasible means of improving the general military situation in the Pacific area would be to take *immediately* steps along lines as follows:

³⁷ Department of State *Bulletin*, December 13, 1941, p. 506.

³⁸ Concurred in by the Adviser on Political Relations (Hornbeck).

1. To set up at Chungking a joint strategic board of American, British, Dutch and Chinese representatives, with an American as the presiding officer of the Strategic Board. This would follow out Chiang Kai-shek's suggestion.

2. To endeavor to persuade the Chinese Government to move forward immediately on a general "hit and run" offensive, the objective of which would be to cause the Japanese to mobilize in China large Japanese forces.

3. To conclude immediately with the Chinese, the Dutch, the British, and other governments which have declared war on Japan, an agreement of mutual assistance and cooperation in the war against Japan, and an agreement that no one of the governments concerned would make a separate peace with Japan. (For political reasons this latter proposal might have to be qualified in some respects.)

4. To enter into a similar agreement with various countries, including Russia, relating to the war against Germany and Italy.

5. To incorporate the American volunteer air corps now in Burma into the United States armed forces, subject to Chinese assent, and to have this air corps operate with the Chinese armed forces.

It is believed that the best chance of causing the Chinese to engage in a general offensive would be for the American Government immediately to take steps which would formally recognize China as a full-fledged associate and which would "give face" to the Chinese. With that end in view, Chungking has been *suggested* as the seat of the Strategic Board. As additional steps to further that objective, it is suggested that a political-strategic mission be sent from the United States immediately to Chungking, and that this Government ask the British, Dutch, Australian, and Canadian Governments to send similar missions. Other countries might also be represented.

We suggest that such a political-strategic mission be headed by an outstanding personage such as Mr. Willkie³⁹ or Mr. McNutt.⁴⁰ We suggest that the military member of the mission, who would be chairman of the Strategic Board, might be Major-General Joseph Stilwell⁴¹ (who might be made a Lieutenant-General or a full General for this purpose), who has had long experience in China. We suggest as a possible additional member of the Board Admiral Yarnell.⁴²

It is believed that if China would move forward on a general offensive which would contain in China Japanese armed forces now there, there would result a situation much more favorable to influencing the Soviet Union to participating in hostilities against Japan.

M[AXWELL] M. H[AMILTON]

³⁹ Wendell L. Willkie, Republican nominee for President in 1940.

⁴⁰ Paul V. McNutt, Federal Security Administrator.

⁴¹ Gen. Joseph W. Stilwell had served as Military Attaché in China.

⁴² Adm. Harry E. Yarnell had served as Commander in Chief, U. S. Asiatic Fleet.

740.0011 PW/1243½

*Dr. T. V. Soong to the Under Secretary of State (Welles)*⁴³

WASHINGTON, December 12, 1941.

DEAR MR. WELLES: In connection with our conversations last Tuesday,⁴⁴ I am in receipt of a cable from General Chiang Kai-shek dated Chungking, December 10th, and reporting among other things, "the Chief Soviet Military Advisor expresses his personal opinion when I saw him again today that the Soviet declaration of war against Japan is merely a matter of time and of procedure. The Soviet, he indicates, will make an open declaration of war only after a general coordinated war plan has been arranged between the United States, Great Britain, China and the Soviet. This differs considerably with the attitude of scepticism and disappointment that he assumed two days ago. I cannot fathom whether the change in his attitude is due to new instructions received from his Government for communication to me."

Hoping that the above may be of interest,

Yours sincerely,

TSE VONG SOONG

740.0011 Pacific War/1182

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] December 12, 1941.

The British Ambassador⁴⁵ called at my request and I repeated to him the substance of my talk with the Soviet Ambassador on Thursday,⁴⁶ which need not be repeated here.

I then said that, as a preliminary step, conferences might be held between him and his associates, including the Australian and the Canadian Ministers here, and at the same time between myself and my associates in the War and Navy Departments with respect to two problems relating to joint action among the resisting countries, viz., first, methods of dealing as fully and as quickly as possible with the emergency situation, particularly in the South Sea area and the Far East, and, second, methods of dealing with the long-view conditions and problems presented. Such conferences would have as their object the developing of the most feasible and effective plan of joint action by all of the countries concerned. I said that the major phases of this whole matter concerned Army and Navy jurisdiction, whereas a minor, but very important portion, relates to the political side, especially as

⁴³ Copy forwarded on December 12 by Mr. Welles to President Roosevelt.

⁴⁴ December 9.

⁴⁵ Viscount Halifax.

⁴⁶ December 11.

this involves the question of discussing with Russia from time to time the matter of her entrance into the war against Japan in the Far East. I elaborated somewhat on these phases, as I had detailed them to the Soviet Ambassador on Thursday. After discussing the questions from all angles, it was agreed that after the preliminary meetings, previously mentioned, to be held during this evening and tomorrow morning, I might call him in for a discussion of what had happened in each conference for the purpose of a preliminary recommendation to the President. The Ambassador was very pleased with the whole idea and said he would give it his attention and cooperate and collaborate fully with this Government.

C[ORDELL] H[ULL]

740.0011 P.W./1244a

The Chairman of the Council of Ministers of the Soviet Union (Stalin) to the President of the Chinese Executive Yuan (Chiang) ⁴⁷

Your telegram only reached me yesterday. I am deeply appreciative of your kind consideration. I am in perfect agreement with you that the long heroic struggle China has put up against Japan, and the present anti-Japanese front in the Pacific are part and parcel of the general anti-Axis front. At the same time the anti-German front assumes special significance in the anti-Axis front, because Germany is the strongest partner of the Axis.

Soviet Russia today has the principal burden of the war against Germany. And Soviet Russian victory over Germany constitutes a great hope of the other members of the anti-Axis front, Great Britain, the United States and China. It is my opinion that under the circumstances the Soviet today ought not to divert its strength to the Far East, when it is beginning to attack the German armies, for by dispersing our strength the difficulties of the German armies will be lessened. I beg you therefore not to insist that Soviet Russia at once declare war against Japan.

Soviet Russia must fight Japan, for Japan will surely unconditionally break the Neutrality Pact. We are preparing to meet that situation, but it takes time to prepare. Therefore I again implore you not to take the lead in demanding that Soviet Russia at once declare war against Japan.

STALIN

[Moscow, December 12, 1941.]

⁴⁷ Translation received in the Department of State from Dr. T. V. Soong, apparently on December 16. Forwarded on December 17 by the Under Secretary of State (Welles) to President Roosevelt, Mr. Welles having first read the message to President Roosevelt on the telephone.

740.0011 Pacific War/15194

*Memorandum by the Minister to Switzerland (Harrison),
Temporarily in the United States*

[WASHINGTON,] December 13, 1941.

Upon the receipt of a confidential report to the effect that Ambassador Nomura⁴⁸ and the Naval Attaché of the Japanese Embassy⁴⁹ would commit hari kari and that this would be played up by Tokyo as murders, I called by direction upon the Swiss Minister⁵⁰ shortly after noon today and inquired whether he had as yet received instructions from his government to assume the protection of Japanese interests in this country. Mr. Bruggmann replied that while he had been instructed to assume the protection of Japanese interests in the Philippines and Samoa, he had as yet no instructions with regard to the continental United States. The Minister also stated that he had not as yet received word from his government of the consent of the Japanese Government to the protection of American interests by Switzerland in Japan although the Japanese radio had announced that the Japanese Government had given their consent.

The Minister indicated that although he had not received instructions to assume the protection of Japanese interests here he was quite prepared to handle any matters informally.

I then informed the Minister on behalf of Mr. Long⁵¹ that the Department had received a report to the effect that Ambassador Nomura and the Japanese Naval Attaché intended to commit hari kari and that this would be called murder by Tokyo which might result in attacks on the American diplomatic personnel and in that event lead to unforetrollable incidents. Mr. Long had asked me to say to the Minister that if he felt like doing so we would be very glad if he would call on Ambassador Nomura, inform him of this report and advise us of the result of his conversation.

Mr. Bruggmann stated that he would be happy to carry out Mr. Long's request and that he would report the results of his visit to the Japanese Ambassador as promptly as possible.

About four o'clock Mr. Bruggmann called upon Mr. Long and said that he had gone to the Japanese Embassy where he had been received by the Minister.⁵² After a brief discussion about the protection of Japanese interests, regarding which the Minister was no better informed, Mr. Bruggmann asked if he might see Ambassador Nomura. The Ambassador then appeared and when it seemed that the Minister

⁴⁸ Adm. Kichisaburo Nomura.

⁴⁹ Capt. Ichiro Yokoyama.

⁵⁰ Charles Bruggmann.

⁵¹ Breckinridge Long, Assistant Secretary of State.

⁵² Kaname Wakasugi.

proposed to remain Mr. Bruggmann asked if he might see the Ambassador alone. The Minister then left.

Mr. Bruggmann explained to Mr. Long that he had had some difficulty in understanding the Japanese Ambassador as, perhaps for reasons of language, it was difficult to know whether he spoke in the past, present or future tense. However, after he had informed the Ambassador of the report which had reached the State Department, Mr. Nomura had made reply by explaining that he had done his best in an endeavor to maintain friendly relations between the United States and Japan and that his conscience was clear on this point but that, of course, the decision rested with the god Heroun (?).

Mr. Bruggmann then had endeavored to clear up this somewhat cryptic and possibly evasive reply. In reply the Ambassador had referred to the fact that in the last war the Japanese Minister to Russia and the Russian Minister to Japan had each returned to his own country.

Mr. Bruggmann had appealed to the humanitarian instincts of the Ambassador but had not been able to obtain any definite assurance from him that he would not commit hari kari. However, Mr. Bruggmann had received a somewhat quieting impression of his conversation and, after explaining the hesitation he had felt in presenting the matter to the Ambassador and his hope that he had done so with every appropriate discretion, Mr. Nomura had smiled and their parting had been friendly.

L[ELAND] H[ARRISON]

740.0011 Pacific War/1198

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] December 13, 1941.

The Chinese Ambassador called at his request. Having an idea about the matter he wished to discuss, I proceeded first to say that on yesterday I took up very earnestly with the President and Secretary Stimson the entire problem of unifying and coordinating into joint action, as fully as might be practicable, the forces of all of the opposition to Japan and her allies in the Far East, with special reference to the South Sea area. I said that every attention is now being given to that problem, which is complex and difficult in certain respects. I added that, of course, the situation in the whole South Sea area is dangerous and calls for treatment as an emergency to the fullest possible extent by each of our countries interested in defending our interests.

The Ambassador thanked me and stated that this was one of the questions about which he had come to inquire. I said that this

problem is now under earnest consideration and is receiving every attention.

I then stated that from the long-view standpoint, conference and collaboration are all-important at the earliest possible date with regard to joint action, et cetera, et cetera, and that we are giving this attention and shall be glad with respect to each phase to collaborate with the Government of China as we shall with respect to all other related questions of a like nature. These problems have special reference to the recent communication from the Generalissimo to the President and to General Magruder's communication,⁵³ received yesterday, commenting on and interpreting the former report.

I then referred to some of the main points contained in my recent talk with the Russian Ambassador on Thursday, which need not be repeated here. The Ambassador had no comment in a new or constructive way to make on this subject and no new or important information or suggestions to offer. He said he had not heard very recently from his Government on the Russian-Japanese situation.

He seemed very much pleased with what I said and with the assurances that we were giving attention to each important phase of the Generalissimo's recent despatch. I said that we would be more than glad to work with his Government in every possible way in connection with the foregoing questions and problems, and that we did hope to see developed at the earliest date the best possible solution for both the temporary and immediate emergency and the long-view problems and conditions.

C[ORDELL] H[ULL]

740.0011 Pacific War/1071a: Telegram

The Secretary of State to the Chargé in the Soviet Union (Thurston), at Kuibyshev

WASHINGTON, December 13, 1941—3 p. m.

1284. 1. The Military Attaché in London has informed us that he has learned from an excellent source that Sikorski⁵⁴ while in the Soviet Union has informed Stalin that he is of the opinion that the Soviet Union should not enter the war with Japan and that he does not believe that the Japanese unless forced so to do will attack the Soviet Union. The Military Attaché also reports that he has learned that Sir Stafford Cripps⁵⁵ agrees in this matter with Sikorski.

2. Any information which you may be able discreetly to obtain which might tend to confirm or refute this information would be helpful.

⁵³ Latter not printed; see footnote 22, p. 736.

⁵⁴ Gen. Wladyslaw Sikorski, Polish Prime Minister.

⁵⁵ British Ambassador in the Soviet Union.

3. [Here follows report of conversation with the Soviet Ambassador, recorded in memorandum by the Secretary of State December 11, printed on page 742.]

HULL

*The Secretary of War (Stimson) to President Roosevelt*⁵⁶

WASHINGTON, December 13, 1941.

DEAR MR. PRESIDENT: I am sending a draft⁵⁷ which may assist you in framing a message to Chiang Kai-shek for such conference in Chungking as you suggested this morning.

Since leaving you I find that there is here already a military mission from Great Britain duly authorized to confer on just such matters as you are suggesting; also that there are fully qualified representatives of Australia, the Dutch East Indies, and China, who could confer with us here on just such matters as you suggested for Singapore. I suggest that such a preliminary conference might be held here instead of at Singapore.

So far as the Moscow conference is concerned, I do not feel that I am in possession of sufficient acquaintance with the addressee or familiarity with what you propose to discuss with him to make any attempt at such a draft by me of very much use to you.

Faithfully yours,

HENRY L. STIMSON

740.0011 Pacific War/15194

*President Roosevelt to the President of the Chinese Executive Yuan (Chiang)*⁵⁸

From the President to the Generalissimo: In my judgment it is of the highest importance that immediate steps be taken to prepare the way for our common action against our common enemy. To this end I respectfully suggest that you call a joint military conference to take place in Chungking not later than December seventeenth to exchange information and to consider the military and naval action particularly in Eastern Asia which may most effectively be employed to accomplish the defeat of Japan and her allies.

I suggest that the conferees consist of representatives of China, Great Britain, the Dutch, United States and the U. S. S. R., and I am prepared to designate at once Major General George H. Brett⁵⁹ as

⁵⁶ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

⁵⁷ For text as sent, see *infra*.

⁵⁸ Notation on original by President Roosevelt: "Sent via Army December 14, 4:30 p. m." Copy transmitted on same date to the Secretary of State.

⁵⁹ Chief of the Air Corps, U. S. A.

representative of the United States assisted by Brigadier General John Magruder.

It is my thought that this conference arrive at a concrete preliminary plan and that this plan be communicated in the greatest confidence to me by Saturday, December twentieth.

It should also be communicated by the Russian, British and Dutch representatives in the utmost secrecy to their respective Governments.

While your preliminary conference is meeting in Chungking, I am asking the British to hold a military and naval conference in Singapore to include Chinese, American and Dutch officers and report operational plans as they see the situation in the Southern zone.

I am also asking Mr. Stalin⁶⁰ to talk with Chinese, American and British representatives in Moscow and let me have his views from the Northern viewpoint.

These estimates and recommendations will give all of us equally a good picture of our joint problem.

I venture to hope that these preliminary conferences especially that in Chungking may lead to the establishment of a permanent organization to plan and direct our joint efforts.

I am working hard on continuing our contribution to your supplies and am trying to increase it.

I send you my very warm personal regards.

ROOSEVELT

740.0011 Pacific War/15194

*President Roosevelt to the Chairman of the Council of Ministers of the Soviet Union (Stalin)*⁶¹

From the President to Mr. Stalin: In my judgment it is of the utmost importance that immediate steps be taken to prepare the way for common action not merely for the next few weeks but also for the permanent defeat of hitlerism. I very much wish that you and I could meet to talk this over personally. But because that is impossible at the moment I am seeking to initiate three preliminary moves which I hope will be preparatory to a more permanent joint planning.

First, I am suggesting to Generalissimo Chiang Kai-shek⁶² that he call a conference immediately in Chungking consisting of Chinese, Soviet, British, Dutch and American representatives. This group would meet not later than December seventeenth and report to their respective Governments in the greatest confidence by Saturday, December twentieth. This would give us the preliminary picture of the joint problem from the angle of Chungking.

⁶⁰ See *infra*.

⁶¹ Notation on original by President Roosevelt: "Given to Litvinov December 14, 4:30 p. m." Copy transmitted on same date to the Secretary of State.

⁶² See *supra*.

Second, I am asking the British to assemble a military-naval conference in Singapore, reporting by Saturday the twentieth principally from the operational angle in the Southern zone.

Third, I would be very happy if you personally would talk with American, British and Chinese representatives in Moscow and let me have your suggestions as to the whole picture by Saturday the twentieth.

Fourth, I am during this coming week covering the same ground with British Missions here and will send you the general picture from this end.

I have had a good talk with Litvinov and I fully appreciate all of your immediate problems.

Again I want to tell you of the real enthusiasm throughout the United States for the progress your armies are making in the defense of your great nation.

I venture to hope that the preliminary conferences I have outlined for this coming week may lead to the establishment of a more permanent organization to plan our efforts.

Hopkins and I send our warm personal regards.

ROOSEVELT

740.0011 Pacific War/1519‡

President Roosevelt to the British Ambassador (Halifax)

WASHINGTON, December 14, 1941.

MY DEAR HALIFAX: Here is a message to General Chiang Kai-Shek⁶³ and a similar message from me to Mr. Stalin.⁶⁴ They are self-explanatory.

I hope you will ask London if they will go ahead with the holding of the Singapore conference and also instruct your people in Chungking and Moscow to take part in the proposed meetings as soon as they are held by Chiang Kai-Shek and Stalin. I assume, of course, that Australia and New Zealand will be represented in Singapore.

Always sincerely,

FRANKLIN D. ROOSEVELT

740.0011 Pacific War/1058 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, December 14, 1941—1 p. m.

[Received December 15—3:15 a. m.]

494. Official and press reaction and attitude here toward events of the past week have followed three principal lines (1, elation at our

⁶³ *Ante*, p. 751.

⁶⁴ *Supra*.

entrance into war with Japan based upon expectation of our early victory despite reports of initial reverses; 2, insistence upon formalized ABCD common front and joint plan of action; and 3, an inordinate and unreasoned demand that Russia at once enter the war against Japan). There is evidence of an unfortunate tendency toward complacency as to the need for further Chinese military effort but the more liberal press is now suggesting early operations against the reduced Japanese forces in China.

Magruder has shown me his recent telegrams to the War Department reporting his conversations with Chiang on military matters. I assume contents of those messages have been made known to the Department.

I believe Chiang may be unintentionally misleading in his statements on the part that China may be counted upon to play in the struggle. His plans seem to me to have a touch of unreality derived from a somewhat grandiose or "ivory tower" conception of his and China's role. I do not believe that his military advisers entirely share his enthusiasm for all-out cooperative action. His proposal for a general headquarters in Chungking to plan and direct Far Eastern strategy is manifestly impracticable in the face of the actual situation but it would seem desirable to meet him to the extent of establishing some sort of joint military council at Chungking to exchange information and plans (carefully safeguarding vital plans, however) and tactfully to encourage and direct Chinese military operations against the Japanese in China.

The Chinese Army does not possess the aggressive spirit, training, equipment or supplies for any major military offensive or expedition, but it can, I believe, be used effectively to harass the Japanese forces throughout the country, attacking lines of communication and supply, isolating smaller units and in some measure in covering Chinese territory. Recovery of territory would have a beneficial effect upon Chinese morale and upon the economic situation.

Our problems in China it seems to me are (1) to keep the Chinese forces active against the Japanese in China, (2) to bolster and sustain Chinese morale and (3) to assist in arresting the trend toward economic chaos.

Point 1 should be the responsibility of the suggested Military Council. As to point 2, I suggested the urgent need of an information service with qualified personnel here to handle and disseminate it. As to point 3, it may become necessary for us to give financial aid in some form to support the Government credit and to encourage small-scale production of consumer goods.

*Mr. Lauchlin Currie to President Roosevelt*⁶⁶

WASHINGTON, December 17, 1941.

Re: Joint Defense of Burma.

In answer to my inquiry re. plans for joint defense of Burma, General Magruder replied on December 14 that joint plans were being prepared and that a Chinese regiment was en route by foot. He stated that due to the difficulties of terrain and the other operations of the Japanese it was not believed that there would be any ground movements or attacks on Burma.

On December 16 he stated that "The Generalissimo has been very vehement in his criticism of the British, owing to the fact that no joint plan has been brought out for the defense of Burma. He has condemned the apparent haphazard methods that are being used, also the fact that all reinforcements have been piecemeal. He pointed out that while the British are hesitating it is possible that Burma might be lost."

A Military Intelligence Report from London stated that the Japanese had arrived at the Burmese border on Dec. 15th, on the route which I earlier indicated as the most likely one.

A cable received from Magruder today states that the British are now seriously concerned over Burma and have asked the Chinese for more troops. Chiang Kai-shek stated he would supply one corps.

There appears to be no way either here or there of securing the full measure of ABC coordination which our interests in that area so clearly demand. I have discussed with our Army people informally the possibility of our taking over a larger measure of responsibility for air operations in China, Burma and Singapore, under the command of a topflight air officer. I feel so strongly that our vital interests are being jeopardized by British ineptitude and weakness in that area.

LAUCHLIN CURRIE

740.0011 Pacific War/1260 : Telegram*The Chargé in the Soviet Union (Thurston) to the Secretary of State*

KUIBYSHEV, December 17, 1941—noon.

[Received December 18—11:14 a. m.]

2070. Department's 1284, December 13, 3 p. m.

1. It is not unlikely that Sikorski expressed sentiments similar to those reported from London during his visit to the Soviet Union (as

⁶⁶ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

it is probable that from the Polish viewpoint it is preferable that the Soviet war effort against Germany should not be diminished by additional activities in the East), but as he had returned to Moscow prior to the Japanese attack on us he presumably did not address his remarks to Stalin.

2. The British Ambassador called on me the day of the Japanese attack. In discussing the probable attitude of the Soviet Government he expressed the opinion that it might well be that of neutrality. His statements in this respect did not at the time convey to me the impression that he advocated such a policy. The Chinese Ambassador,⁶⁷ however, with whom I carefully explored this subject last evening, stated explicitly that Cripps seemed to favor Soviet abstention from war with Japan. Upon Cripps' return from Moscow I shall endeavor definitely to ascertain his attitude in this respect.

3. The Chinese Ambassador has informed me that insofar as he is aware Stalin has not replied⁶⁸ to Chiang Kai-shek's note of December 8⁶⁹ (a copy of which he understands was handed to Ambassador Gauss). He believes however from the general attitude of the Soviet officials with whom he has conversed that the Soviet Government will not be disposed to engage in hostilities with Japan at this time if they can be avoided.

4. With respect to Litvinov's exposition to the Secretary of the decisions arrived at by his Government I may say that, as the Department is aware, Soviet foreign policy is superlatively realistic. It may be taken for granted therefore that until the Soviet Government can be convinced of the advantages of entering the war against Japan no other considerations (such as the general wisdom of such action or the help that would thereby be rendered us and the British) will affect its decision. In this connection, it has been reported to me by persons having some association with Soviet citizens, and the same opinion was expressed to me last night by a Soviet official who may be presumed to know the present "party line", that the Soviet Government would be disposed to participate in the War of the Pacific only if Britain establishes a second front with Germany on the continent—the North African campaign being definitely regarded as a minor operation in no way capable of diminishing Germany's effective strength against the Soviet Union.

THURSTON

⁶⁷ Shao Li-tzu.

⁶⁸ See telegram of December 12 from the Chairman of the Council of Ministers of the Soviet Union to the President of the Chinese Executive Yuan, p. 747.

⁶⁹ Presumably similar to message to President Roosevelt contained in telegram No. 481, December 8, 6 p. m., from the Ambassador in China, p. 736.

740.0011 Pacific War/1213 : Telegram

*The Ambassador to the Netherlands Government in Exile (Biddle)
to the Secretary of State*LONDON, December 17, 1941—7 p. m.
[Received December 17—1:35 p. m.]

Netherlands Series 62. Gerbrandy⁷⁰ tells me Dutch and Australian forces have occupied Timor today despite remonstrances from local Portuguese authorities but things are now quiet there.

He adds that while they had sought to deal with Portuguese Government as decently as possible regarding this matter, they were determined that Timor should not become a menace. Evidence of the danger is the fact that recently two Japanese submarines were in the vicinity, one of which was sunk by Australian forces. It is their intention to hold Timor merely as trustees but they expect their action to lead to a violent outburst from the Portuguese Government.

[BIDDLE]

*The British Ambassador (Halifax) to President Roosevelt*⁷¹

WASHINGTON, December 17, 1941.

MY DEAR MR. PRESIDENT: A message has been received from Mr. Duff Cooper at Singapore on the subject of the proposed naval and military conference there, to the following effect:—

"I have now secured representation for Australia, New Zealand, United States and Netherlands and am arranging that conference shall start December 18th. If we were to await arrival of representative from Chungking there would be much delay and report by December 20th as requested by the President would certainly be impossible. Should representative from Chungking arrive in time we shall of course be delighted to receive him."

Believe me [etc.]

HALIFAX

740.0011 Pacific War/1686

The Ambassador in China (Gauss) to the Secretary of State

No. 243

CHUNGKING, December 17, 1941.

[Received January 19, 1942.]

SIR: I have the honor to transmit a translation of a letter which I have received from the Headquarters (at Chungking) of a so-called Korean Volunteer Corps enclosing a letter to President Roosevelt, the

⁷⁰ P. S. Gerbrandy, President of the Netherland Council of Ministers, London.⁷¹ Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

officers and men of the American armed forces, and the citizens of the United States.⁷²

The letter itself is not of special note, and the part actually played by the Corps in the Sino-Japanese war is believed to have been inconsequential. As far as the Embassy has been able to learn, the organization itself is a small one, existing chiefly on paper, and supported and kept alive by the Chinese Government. With the United States at war with Japan, the American Government may, however, be interested in such organizations, whose potentialities should be greatly increased by the fact that unrest due to economic pressure will probably be first and most severely felt in Korea, and hence reflected among the very large numbers of Koreans now resident in Japanese-occupied China.⁷³

Respectfully yours,

C. E. GAUSS

740.0011 Pacific War/1673

*Memorandum of Conversation, by Mr. Robert B. Stewart of the
Division of European Affairs*

[WASHINGTON,] December 18, 1941.

Mr. Watt⁷⁴ of the Australian Legation came in today to mention, among other things, Mr. Casey's⁷⁵ call at the White House yesterday. The purpose of Mr. Casey's call, according to Mr. Watt, was to impress upon the President Australia's interest in the projected discussions in Moscow (Kuibishev), Chungking, Singapore and Washington to explore possible means of coordinating the war effort of all of the associated powers. Mr. Casey has received strong instructions (perhaps with a tinge of criticism) to keep in touch with the situation and see that Australia's interest is kept in mind. Mr. Casey expressed to the President the desire of his Government to be separately represented in any such discussions as may be held. The President appeared sympathetic but asked what about Canada, New Zealand and the Union of South Africa. If Australia were separately represented these Dominions might claim similar representation. Mr. Casey replied that he felt Australia's interest is greater and more immediate than that of the other Dominions. While failing to get a definite promise, Mr. Casey was apparently satisfied in having brought the matter to the President's attention.

In the course of the conversation between the President and Mr.

⁷² Neither printed.

⁷³ The enclosures were not forwarded to President Roosevelt but were filed "without any action being taken in regard thereto", at the suggestion of the Division of Far Eastern Affairs, which assumed that the Koreans concerned did not expect a reply from President Roosevelt and probably were "satisfied with the courteous reception" received at the Embassy in China.

⁷⁴ Alan S. Watt, First Secretary of the Australian Legation in the United States.

⁷⁵ Richard G. Casey, Australian Minister in the United States.

Casey, reference was made to the attitude of the Soviet Government in the present conflict, about which the President was not entirely happy. He said, however, that the Soviet attitude was "probably right" considering the whole picture.

Mr. Watt mentioned press reports from Australia indicating a growing bitterness about the Japanese successes in Malaya. Mr. Watt said that the Australians were willing to accept Crete and the losses incurred at that time but they are not willing to look upon Malaya and Singapore as another Crete. Mr. Watt felt that the situation in Malaya is now very sticky and thought that if the British have again failed to provide adequate equipment there is going to be real anger in Australia. Moreover, from the Australian point of view, Singapore is the last outpost of defense which in any appreciable degree protects Australia from direct attacks. The Australians could not contemplate the loss of this post except with deepest gloom.

811B.20/39 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, December 20, 1941—1 p. m.

[Received December 20—12:46 p. m.]

For the United States High Commissioner: ⁷⁶

"Chinese Foreign Office has informed Embassy of the Chinese Government's desire that the Philippine authorities permit the organization in the Philippines of a Chinese volunteer corps to fight side by side with Americans and Filipinos. Foreign Office stresses beneficial psychological effect upon large population in the Islands and requests that you approach the Philippine Government." ⁷⁷

Sent to Manila; repeated to Department.

GAUSS

740.0011 European War 1939/17735 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

[Extract] ⁷⁸

LONDON, December 21, 1941—10 p. m.

[Received December 21—7:20 p. m.]

6166.

During the early phase of the discussion, Stalin told Eden he had a message from President Roosevelt asking that Russia be represented

⁷⁶ Francis B. Sayre, at Manila.

⁷⁷ Ambassador Gauss was instructed on December 27 to inform the Chinese Foreign Office that the offer was greatly appreciated and was receiving active consideration.

⁷⁸ For other parts of this telegram, see vol. I, section III under "Activities of the Soviet Union in Eastern Europe . . .".

by an observer at a conference to be called at Chungking the following day. He further asked Eden if he knew anything about the object of the conference. Eden said that a similar message had reached the British Foreign Office and gave him the gist of the telegram forwarded by the British Government in reply to the President. Stalin then told him that the Soviet Government was prepared to attend any number of conferences if it would be helpful but that they could do nothing about the conference at Chungking as they had had no information about its subject matter.

I was told that Stalin had been informed about the conference to be held in Washington but this information did not appear in any of Eden's cables which were shown to me. I personally believe it is important in the days immediately ahead to keep Stalin sufficiently informed through Litvinov to give him a sense of being included in war and peace plans. You of course will have information on this phase of the Washington negotiations that I am not acquainted with here.

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WINANT

*The Chairman of the Council of Ministers of the Soviet Union
(Stalin) to President Roosevelt*⁷⁹

WASHINGTON [undated].

I received your message on the 16th December. As there was no mention of the object of the suggested conferences in Chungking and Moscow, and that there was only one day left before their opening, I thought I might be able, in conversation with Mr. Eden, who has just arrived in Moscow, to elucidate the question of the objects of the conferences, and to find out whether they could be postponed for some time. It transpired, however, that Mr. Eden has no information on this point, either. In view of the above, I should be glad to receive from you the necessary details, to ensure that the participation of representatives of the Union of Soviet Socialist Republics in these conferences should bring results. Allow me to thank you for the feelings you express with regard to the successes of the Soviet army. I wish you all success in your struggle against the aggression in the Pacific. I send you and Mr. Hopkins my warm personal greetings.

⁷⁹ Transmitted by the Soviet Ambassador (Litvinov). Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

740.0011 Pacific War/1345 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, December 22, 1941—1 p. m.

[Received 9 p. m.]

1591. Ostorog⁸⁰ read to us this morning portions of a telegram which the Foreign Office had received from Arsène-Henry⁸¹ in Tokyo. According to Henry's information, two or three hours before the attack on Hawaii commenced, Ambassador Grew had been summoned to the Foreign Office and the Emperor's reply to President Roosevelt's message had been delivered to him. The message was apparently calm and reassuring in so far as Japanese-American relations were concerned and the American Embassy had expected no sudden aggression. It was only three hours later that they heard that Hawaii and the Philippines had been attacked.

Henry's telegram went on to say that it had not been possible for him to ascertain what group or groups were responsible for Japan's attack on the United States. There were indications however that "the attack might have been arranged by the military and naval groups who wished to have their war without the knowledge of the Japanese civil government". There were unconfirmed rumors that certain Japanese civil officials and members of the Diet had tendered their resignations.

Henry reported that while at first the members of the American and British Diplomatic Missions had been instructed to remain in their Embassies, surveillance had become increasingly severe and finally a cordon of Japanese police had been thrown around the buildings and no communication was permitted to be sent into or from our Embassy. Henry, who succeeded Grew as Dean of the Diplomatic Corps, requested permission in his capacity as Dean to see Grew to take over the archives pertaining to this position. His request was refused by the Japanese. He has also according to the telegram "protested energetically" as Dean of the Diplomatic Corps over the manner in which American and British diplomats are being held and not permitted to communicate with anyone.

The telegram went on to say that the Japanese were arresting all foreigners in Japan and this had caused great anxiety among the small white population which still remains there. They fear that when Japan is bombed, there will be internal disorder and that all white persons may be massacred.

⁸⁰ Stanislas Ostorog, French Foreign Office, at times acting head of its Far Eastern Section.

⁸¹ Charles Arsène-Henry, French Ambassador in Japan.

Ostrorog promised to give us any further news of our diplomats in Tokyo which the Foreign Office may receive.

LEAHY

740.0011 European War 1939/18712

*The President of the Chinese Executive Yuan (Chiang) to
President Roosevelt*⁸²

CHUNGKING, December 24, 1941.

MR. PRESIDENT: The Chinese Government and people wish to express their whole-hearted support of your proposed conference of American, British, Chinese and other representatives. We venture to offer the opinion that a Supreme Allied War Council should be established forthwith in Washington for the speedy formulation of comprehensive war plans. This will constitute a concrete step on the part of the nations of the democratic front to coordinate and concert their efforts against the aggressor nations of the Axis, and will be a most effective factor in bringing about the early destruction of our common enemy.

For this purpose I have designated Mr. T. V. Soong, newly appointed Minister of Foreign Affairs, as the Chief Delegate of China to such Conference or Supreme War Council as you contemplate to set up in the immediate future, and request you to be good enough to notify him to participate in your deliberations on all questions relevant to the conduct of the war.

740.0011 Pacific War/1596

*Memorandum by the Assistant Chief of the Division of European
Affairs (Henderson)*

[WASHINGTON,] December 26, 1941.

Eu⁸³ has read with considerable interest the suggestion made by Mr. Culver B. Chamberlain⁸⁴ in his memorandum of December 23, 1941⁸⁵ that it might be possible for an American mission with headquarters in Soviet territory preferably at Vladivostok to carry on in Korea propaganda aimed at stirring up the Koreans against the Japanese and eventually at bringing about a breakdown in the Japanese control of that peninsula.

⁸² Translation of telegram received by the Secretary of State in a letter dated December 24 from the Chinese Ambassador; original transmitted to President Roosevelt at 5:40 p. m. on December 26.

⁸³ Division of European Affairs.

⁸⁴ Formerly in the American consular service in China, including Manchuria.

⁸⁵ Not printed.

We are inclined to believe that it would be unwise to endeavor to establish a mission of the type suggested on Soviet territory. In the first place the Russians would be almost sure to reject such a scheme. They have thus far refused to permit British consular authorities to function in Vladivostok; they have not allowed us to appoint a naval observer in that city; they do not permit our consular staff to move about outside of Vladivostok and its suburbs; and they do not allow foreigners in general to travel in the Far East except along the line of the Trans-Siberian Railway. The Soviet authorities would be sure to feel that a mission engaged in propaganda even though its activities may be carried on for the most part outside of Soviet territory would obtain in connection with its work information regarding the Soviet Union which is considered as secret. Not only would the Soviet authorities in all likelihood refuse the request but they would be inclined to view with still greater suspicion the various American missions which are already functioning in the Soviet Union or which are planning to proceed to the Soviet Union.

Until the Russians change their attitude with regard to all foreigners including even those fighting against Germany, it would be a mistake to propose using the Soviet Union as a base for any kind of political agitation.⁸⁶

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740.0011 Pacific War/1624

*President Roosevelt to the President of the Chinese Executive Yuan (Chiang)*⁸⁷

[WASHINGTON,] December 29, 1941.

In order to insure immediate coordination and cooperation in our common effort against the enemy, there is being established a supreme commander for all British, Dutch and American forces in the South-west Pacific theater.

The advisability of a similar command of activities of the United Powers in the Chinese theater appears evident. This theater we suggest should initially include such portion of Thailand and Indochina as may become accessible to troops of the United Powers. In agreement with the representatives of the British and Dutch Governments, I desire to suggest that you should undertake to exercise such command over all forces of the United Powers which are now, or may in the future be operating in the Chinese theater.

⁸⁶ In a memorandum dated December 27, the Chief of the Division of Far Eastern Affairs (Hamilton) wrote that on December 26 he informed Mr. Chamberlain orally that from what he knew of the Russian situation "the Russian angle in his project would have to be eliminated."

⁸⁷ Copy transmitted by President Roosevelt on December 30 to the Secretary of State "for your information".

It is our thought that, in order to make such command effective, a joint planning staff should at once be organized consisting of representatives of the British, American and Chinese governments. If you consider it practicable, and Russia agrees, a Russian representative might be included. This staff would function under your supreme command.

The commander of the Southwest Pacific theater and the commander of the British forces in India would be directed to maintain the closest liaison with your headquarters. A mutual exchange of liaison officers between the three headquarters would be desirable.

Such arrangements would enable your counsel and influence to be given effect in the formulation of the general strategy for the conduct of the war in all theaters. Your views in this matter will be greatly appreciated by me.

ROOSEVELT

740.0011 Pacific War/1553

Memorandum by the Assistant Secretary of State (Berle) to the Secretary of State

[WASHINGTON,] December 29, 1941.

MR. SECRETARY: The attached report⁸⁹ of the F. B. I.⁹⁰ relates to the activities of the Japanese Consulate in Hawaii and its complicity in the bombing of Pearl Harbor.

It will be noted that the F. B. I. wished to prosecute a number of the Japanese agents, first raising the question in the Summer of 1941. The Department of Justice consulted the State Department in July, 1941, and were advised that the State Department assented to the prosecution.

Prosecution of these agents never was carried out, owing to the objection of the War Department.

The record is important because it makes clear the fact that the position of the Department was at all times plain.

A[DOLF] A. B[ERLE], JR.

740.0011 Pacific War/1336

The Secretary of State to Mr. Justice Owen J. Roberts

WASHINGTON, December 30, 1941.

MY DEAR MR. JUSTICE: In your letter dated December 19,⁸⁹ you request that I write to you, as Chairman of the Commission to Investi-

⁸⁹ Not printed.

⁹⁰ Federal Bureau of Investigation.

gate the Facts and Circumstances connected with the Japanese Attack on Pearl Harbor on December 7, 1941, stating whether I "conveyed to the Departments of War and Navy of the United States, in the period intervening between November 1 and December 7, 1941, warnings of the immediate danger of possible attack by the forces of the Japanese Empire". You add that for your purposes it will be sufficient if I "will state briefly approximately the times when such warnings were given and, in outline and summary only, the purport of the warnings".

I would say in reply that I have constantly kept myself as familiar as possible with all important developments and conditions arising in the relations of the United States with other countries. Recognizing the cooperative relationships which exist between the Department of State and the Departments of War and of the Navy, especially in times of danger to this country, I had during the year many conferences with the Secretary of War and the Secretary of the Navy and at intervals conferences with the Chief of Staff and the Chief of Naval Operations and officers of their staffs. Our conferences sought a full interchange of information and views relative to critical situations all over the world, including—of course—developments in the Pacific area.

These exchanges of information and views were in addition to those which took place at Cabinet meetings and at meetings during the fall of 1941 of the War Council, and in numerous other conversations. At these conferences I was given the benefit of the knowledge which representatives of the War and the Navy Departments possessed of military factors involved in the world situation and I in turn took up political factors in the world situation and other matters of which I had special knowledge.

In reply to your express inquiry, I recall that at the regular meeting of the Cabinet on November 7, 1941, I stated among other things that relations between Japan and the United States were extremely critical and that there was imminent possibility that Japan might at any time start a new military movement of conquest by force in accordance with her many times announced purpose and policy. It thereupon became the consensus of opinion that some members of the Cabinet might well emphasize this critical situation in speeches in order that the country would, if possible, be better prepared for such a development. Accordingly, Secretary Knox, four days later on Armistice Day, delivered an address, in which he especially emphasized this imminent and dangerous situation. He expressed the following strong warning:⁹¹

⁹¹ Omissions in quotations indicated in the original.

“ . . . We are not only confronted with the necessity of extreme measures of self-defense in the Atlantic, but we are likewise faced with grim possibilities on the other side of the world—on the far side of the Pacific. Just what the morrow may hold for us in that quarter of the globe, no one may say with certainty. The only thing we can be sure of is that the Pacific, no less than the Atlantic, calls for instant readiness for defense. In the Pacific area, no less than in Europe, interests which are vital to our national security are seriously threatened.”

On the same day Under Secretary of State Welles, carrying out this Cabinet suggestion in an address,⁹² used the following language of urgent warning:

“ . . . today the United States finds itself in far greater peril than it did in 1917. The waves of world conquest are breaking high both in the East and in the West. They are threatening, more nearly each day that passes, to engulf our own shores.”

“In the Far East the same forces of conquest under a different guise are menacing the safety of all nations that border upon the Pacific.”

“ . . . our people realize that at any moment war may be forced upon us, and if it is, the lives of all of us will have to be dedicated to preserving the freedom of the United States, and to safeguarding the independence of the American people, which are more dear to us than life itself.”

It will thus be seen that knowledge of the gravity of the situation in the Pacific was not confined to me, but was shared by many high officers of the Government. I might add that throughout this period officials of the Departments of War and of the Navy manifested a spirit of wholehearted cooperation and indicated in statements made to me from time to time their keen concern regarding the seriousness and critical nature of the danger.

On November 25 and on November 28, at meetings of the War Council, at which the highest officers of the Army and the Navy of course were present, I emphasized the critical nature of the relations of this country with Japan: I stated to the conference that there was practically no possibility of an agreement being achieved with Japan; that in my opinion the Japanese were likely to break out at any time with new acts of conquest by force; and that the matter of safeguarding our national security was in the hands of the Army and the Navy. At the conclusion I with due deference expressed my judgment that any plans for our military defense should include an assumption that the Japanese might make the element of surprise a central point in their strategy and also might attack at various

⁹² See Department of State *Bulletin*, November 15, 1941, p. 391.

points simultaneously with a view to demoralizing efforts of defense and of coordination for purposes thereof.⁹³

Sincerely yours,

CORDELL HULL

740.0011 Pacific War/1507 : Telegram

The Chargé in the Soviet Union (Thurston) to the Secretary of State

KUIBYSHEV, January 1, 1942—11 a. m.

[Received January 1—9 : 26 a. m.]

1. Reference my telegram No. 2123, December 31.⁹⁴ In view of the prominence given by *Pravda* to Zaslavski's article, and inasmuch [as] whatever the reason may have been for its publication, the one hypothesis which could be rejected with full confidence was that it merely represented the views of a casual writer, it was my considered opinion that the Commissariat for Foreign Affairs should be apprised immediately of the reaction to it on the part of this Embassy. Accordingly I called on Lozovski⁹⁵ last night and made the following verbatim statement to him :

"Under present circumstances, I am astonished that such an article, which is contemptuous and offensive in tone, should have been permitted to appear in a Soviet newspaper. I regard it as my duty to express my emphatic objection to the article and to protest against its publication."

Lozovski replied that inasmuch as the American newspapers carry every day articles which are offensive to the Soviet Union and its leader, against which neither the Commissariat for Foreign Affairs nor the Soviet Embassy in Washington has ever protested, he could not accept my protest. To this I rejoined that I regretted that he should adopt this attitude, which I would report to my Government, and that in so far as any articles which may have appeared in the American press are concerned, I need hardly point out to him the difference between the uncontrolled American press and the totally controlled Soviet press which furthermore is now subjected to the

⁹³ In a memorandum dated January 17, 1942, Joseph W. Ballantine, Foreign Service Officer on special detail in the Department, wrote: "I delivered in person to Justice Roberts the copy of the attached blue [carbon copy] of a letter dated December 30, 1941. At the same time I showed him an alternative letter, the signed copy of which is attached [not printed], and explained that the Secretary had prepared this alternative letter containing additional material in case Justice Roberts felt that this would be helpful. Justice Roberts said that he preferred the shorter letter and that it contained just the material that the Commission desired."

⁹⁴ Not printed; it quoted an article in *Pravda* entitled "Pétain Methods in the Philippines" by D. Zaslavski, who was very critical of the policy to declare Manila an open city (740.00116 Pacific War/6).

⁹⁵ Solomon A. Lozovski, Soviet Assistant Commissar for Foreign Affairs.

additional censorship imposed by the war and that I must reiterate my protest.⁹⁶

In the general conversation which followed I also remarked that it had been reported to me that Zaslavski's articles in the press represent the views of Narkomindel.⁹⁷ Lozovski stated that this is incorrect. He also remarked that the article in question was not directed against the United States but against the theory of "The open city". I stated that anyone presuming to write an article of this character at this time could hardly be unaware of the fact that it is the United States Army under the command of General MacArthur that is entrusted with the defense of Manila and that I therefore regarded the article as derogatory to our armed forces. It has been suggested to me that the publication of this article may have been for the purpose of stimulating us to more decisive action in the Pacific, or that it may reflect the growing confidence or even smugness of the Soviet Government resulting from its current successes against the Germans. A third possibility may be that the article is designed to mollify Japan.⁹⁸

THURSTON

740.0011 Pacific War/1882 : Telegram

*The Military Air Attaché in the United Kingdom (Royce) to the War Department*⁹⁹

LONDON, January 2, 1942—1:45 p. m.

1522. . . . The Chief of the Imperial General Staff has just received a personal message from General Wavell¹ dated December 28th from Rangoon. It should be studied with reference to our cable I. B. No. 11, 12/31/41,² and follows in substance:

On December 23rd Wavell conferred with Chiang Kai Shek throughout the day with Burma defense the chief subject.

Wavell sought China's consent to use Lease Lend materials, including aircraft repair tools and A. A. equipment, for defense in Burma and to return one or two squadrons of the American Volunteer Group to Rangoon. Chiang Kai Shek agreed in principle and referred these requests to a committee for study (Comment: Personnel of committee

⁹⁶ In telegram No. 3, January 2, 1942, 8 p. m., the Department cabled its full approval to Mr. Thurston for his action.

⁹⁷ Soviet Ministry of Internal Affairs.

⁹⁸ In his telegram No. 59, January 19, 1942, 1 p. m., Mr. Thurston reported to the Department the substance of an article in the January 17 issue of *Krasnaya Zvezda (Red Star)*, organ of the Defense Ministry. Mr. Thurston stated: "The tone of this article, as well as that of other recent Soviet press references to the war in the East, lead to the inference that they are to some degree at least designed to offset Zaslavski's article in *Pravda* of December 30." (740.0011 Pacific War/1707)

⁹⁹ Received by the War Department on January 2, 9:24 a. m., and paraphrase transmitted to the Department of State; noted by the Secretary of State.

¹ Gen. Sir Archibald P. Wavell, British Commander in Chief, India.

² Not found in Department files.

not indicated). *No* clearly defined orders were issued about Lend Lease or American airmen.

A cable was drafted to President Roosevelt after a discussion on the setting up of an inter-allied council at Chungking. This telegram included a proposal for the conduct of the Far Eastern war. Chiang Kai Shek's plan called for a defeat of Japan in 1942 as a first step to be followed by operations against the Germans and Italians.

If America would provide the air support needed, Chiang Kai Shek believed strongly that the Chinese could start an offensive by June or at least by October. General Wavell stated that in his opinion the Chinese can make not more than one additional major effort *if* America will furnish air support and equipment; further, that Chinese morale may be seriously impaired if their hopes for American aid are not realized.

Chinese assistance can be given most effectively by attacking Japanese lines of communication in China; hence, work should be initiated as soon as possible by Mission 204.

The message closed with the statement that Chiang Kai Shek is *unwilling* to dispatch additional American squadrons to Burma and even wishes one already there returned to China.

ROYCE

740.0011 Pacific War/1882 : Telegram

*The American Military Mission in China to the War Department*³

CHUNGKING, January 5, 1942—9:10 p. m.

163. At present I am in doubt as to American plans and objectives in regard to Burma. Your radiograms of December 24 and 18⁴ granting broad administrative powers did not give me much information in regard to the above. Presumably, directives are on the way but prior to arrival I should like to suggest some of the limitations of action as well as capabilities within the Burma area of operations.

Burma is very necessary as an air base and our only route into China in the event we find that we must go on the defensive and withdraw wholly or in part from the line Burma-Malaya-Philippine Islands. The above is true if an offensive is planned after much preparation. Before we can crush Japan we must first destroy the Nipponese forces in Indo-China and Siam and move to the north by air, water and on land. Burma must be utilized as an air base for support of military activities in the future as well as the present. Later it may be advisable to use Chinese bases, but now the distances are too great and there are no large scale operations to necessitate their use. A detailed

³Received by the War Department on January 7, 6:13 a. m., and paraphrase transmitted to the Department of State.

⁴Not found in Department files.

study of the uses of the Chinese air bases in the future is being made for General Marshall ⁵ and Mr. Stimson.

The big job of the American Mission will be setting up AA ⁶ defense, communications and facilities for the use of our air organizations in case we expect to assist the RAF in the defense of Burma. Air bases should be supplied beforehand and roads, etc., should be improved to southeastern China before we use Chinese bases for strategic bombing of, possibly preparatory to seizing, French Indo-China's important maritime cities. The above will necessitate the organization of routes from Burma in the usual military manner. This would appear to be an economic mission (garbled).

The general plan of tactical bases, zones of supply and communication should follow the scheme below in the event the above mission is planned :

1. To the extent it can be accomplished, the British should give us independent tactical and supply bases after they have organized the Burman theatre and set up the zones of communication. The British should be consulted without delay in regard to this matter.

2. Place the Burma road under U. S. military control under the Generalissimo's supreme authority in that area. This may be accomplished through negotiation with General Chiang. In no other way can we be sure that the road will be operated successfully. A U. S. regiment of engineers (provisional) with men specially trained for that sort of work and an AWM (Truck Maintenance?) organization to take care of all types of transportation will be essential. An American nucleus of officers and men will be needed even though Chinese labor will be available.

3. If we expect results, we must assist the Chinese in organizing the L. C. and enlarging the air bases and routes north and east of Kuning. These installations would be under Chinese command. Assuming that the above plans will meet with your approbation I should initiate requisitions for equipment and personnel.

Guerrilla organizations, whether they are Chinese or foreign, will not be effective here. I believe the people in the U. S. do not appreciate the true military value of such units. Fervently I hope that you will not assist in any way irregular organizations or individuals who propose such independent action. Only regular units, supplied in the orthodox manner and supported from the air by units with normal bases and supplies will be successful in operations in this theatre. To turn China into a Spain will bring ill to this country as past political events have shown and the best opinion believe. Little success has crowned British efforts in organizing irregular units, and the Generalissimo would be quite humiliated if we should use so-called communist units. New and unorthodox schemes will add confusion.

⁵ Gen. George C. Marshall, Chief of Staff, U. S. A.

⁶ Anti-aircraft.

The passive spirit and the weariness of war have China in their clutches, and the Army is not keeping an appreciable force of Japanese engaged. We cannot expect China to go on the offense until the united nations put a formidable force in the western Pacific. Chinese ground troops might attack Tongking effectively if foreign aircraft gave them strong support and after they were convinced of a victorious offence on the part of the allies. To retain sectors in China from which vulnerable Japanese land and sea positions may be attacked by foreign air forces is the best hope at present.

I feel that lend-lease supplies offer less than expected in direct military returns, for typically Chinese reasons. However, measured in political terms as the returns from war supplies and credits should be, they are war outlays of an indispensable nature. To improve China's offensive power, our present plan of furnishing lend-lease war supplies, particularly howitzers, ammunition and small arms, is necessary.

If the Generalissimo's regime should fall, all Asiatics, including the Chinese, will be attracted to the enemy. The maintenance of Chiang's administration by tangible indications of material aid means that the Chinese people will be kept in a potential, perhaps even dynamic, resistance.

MAGRUDER

894.74/284

*Memorandum by Mr. Max W. Schmidt of the Division of Far Eastern Affairs*⁷

[WASHINGTON,] January 27, 1942.

In connection with the Japanese attack on the United States, the following dates and hours taken from translated transcripts of radio broadcasts from Tokyo, Japan, sent to the Department by the Federal Bureau of Investigation on January 16, 1942⁸ (File no. 894.74/278) may be of interest.

Translation of radio broadcast from Station JZI, December 8, 1941 (Japan time):⁹

"With our army and navy entering in a state of war with England and America at *dawn of the 8th* . . . *

" . . . the Imperial army and navy headquarters at *6 am on the 8th* announced that our army and navy entered a state of war with

⁷ Initialed by the Chief of the Division (Hamilton); noted by the Secretary of State.

⁸ Not printed.

⁹ Omissions indicated in the original.

* Underscoring added. [Footnote in the original. Underscored words are here printed in italics.]

England and America in the Western Pacific at *dawn today, the 8th . . .*

" . . . a Domei dispatch from Honolulu (*sic*) reported that our naval air force raided Honolulu at 7 *am Hawaiian time*, which is 3:05 *am Japan time* . . .

" . . . according to the announcement made by the headquarters of our fleet in China waters . . . our Commander-in-Chief" sent staff officers to the British and American gunboats at Shanghai "immediately after our country entered in a state of war at 5:40 *am* . . ." (presumably Shanghai time).

With regard to the American Marines stationed in north China, it is stated that "the disarming of the marines was carried out at 1 *pm today*" (*December 8, 1941*).

" . . . our Government at 7 *am today (December 8, 1941)* held an emergency session of the cabinet at the premier's residence . . .

"According to a Domei dispatch from Washington, Foreign Minister Togo reported by order Envoys Kurusu and Nomura to call on Secretary of State Hull at 1:00 *P. M. on the 7th (Washington time)*, 3:30 *A. M. of the 8th Japan time* . . ." (This translation is undoubtedly garbled and probably should read that Foreign Minister Togo ordered Envoys Kurusu and Nomura, etc.)

" . . . At the same time (*sic*), Foreign Minister Togo invited American Ambassador to Japan, Grew, to his official residence at 7:30 *A. M. today* and handed him an official note similar to the one handed to Secretary of State Hull. Immediately afterwards at 7:45 *A. M.*, he invited British Ambassador to Japan, Craigie and explained to him the text of this reply.

"Immediately after our loyal Army and Navy had entered a state of war with England and America at *dawn today*, it was decided to break off diplomatic relations with both countries and enter a state of war. Consequently, our government at 11:45 *A. M. today (December 8, 1941, Japan time)* declared war against England and America . . .¹⁰

"At 8:30 *A. M. today (December 8, 1941, Japan time)*, our government made the Foreign Ministry announce the results of the Japanese-American negotiation and the Japanese-American notes . . .

"At *dawn today, December 8, (Japan time)*, the announcement of the Imperial Army and Navy headquarters to the effect that our Imperial Army and Navy will enter a state of war against American and British forces in the Western Pacific at *dawn today* was made public throughout our country through the radios and newspapers . . . Then with the issuing of the Imperial decree declaring war at 11:45 *A. M. (December 8, 1941, Japan time)*, the nation's determination to march forward and support the emperor's will gushed forth . . .

"Japanese residents abroad, an Imperial decree declaring war against England and America was issued at 11:45 *am, December 8, Japan time* . . ."

¹⁰ Marginal notation by the Adviser on Political Relations (Hornbeck): "*Fait accompli*?"

It may be noted that throughout the broadcasts on December 8 and 9 (according to the F. B. I. translation) the Japanese in general emphasized that the attacks made upon British and American bases throughout the Pacific area coincided with "dawn", of the day corresponding to December 8, 1941, Japan time, over those various bases. The hour of the issuance of the Imperial decree declaring war on the United States and Great Britain is repeatedly given as 11:45 A. M., December 8, 1941, Japan time.

CONSIDERATION OF SANCTIONS AGAINST JAPANESE
POLICIES OF AGGRESSION AND VIOLATION OF
TREATY RIGHTS; ENFORCEMENT OF EXPORT CON-
TROL SYSTEM;¹ FREEZING OF JAPANESE ASSETS IN
THE UNITED STATES

751G.92/168

*Memorandum by the Adviser on Political Relations (Hornbeck)*²

[WASHINGTON,] January 6, 1941.

Japan is apparently building up a trade in export of arms. It might easily develop that Japan would become a purveyor of arms to a considerable number of Asiatic and Latin American countries. We could not look with gratification upon such a development. For the time being at least, this affords an additional reason for trying to keep export from this country to Japan of various types of material down to not more than "normal" amounts.

S[TANLEY] K. H[ORNBECK]

894.24/1306

*Memorandum of Conversation, by the Adviser on Political Relations
(Hornbeck)*

[WASHINGTON,] January 6, 1941.

Mr. Butler³ and Mr. Hill⁴ called on me this afternoon. Mr. Butler referred to a memorandum which he had left with me under date November 20, 1940⁵ on the subject of possibly cutting down on Japan's piling up of petroleum reserves by taking tankers out of operation into Japanese ports. He referred to previous conversations on that subject and the fact that thus far this Government has given no official expression of its views. He then gave me the memorandum and compilation of figures that are here attached⁶ and asked Mr. Hill to summarize the contents and purport thereof. Mr. Hill elaborated

¹ Continued from *Foreign Relations*, 1940, vol. iv, pp. 565-625; cf. also *Foreign Relations*, Japan, 1931-1941, vol. ii, pp. 237-273.

² Noted by the Secretary of State.

³ Neville M. Butler, British Chargé in the United States.

⁴ P. C. Hill, Third Secretary of the British Embassy in the United States.

⁵ Not printed.

⁶ Neither printed.

somewhat on the subject of the problem of withholding increments of reserve supplies from Japan and spoke of the quotas which the Japanese Government has allotted to the Standard-Vacuum and Shell oil companies for importation into and distribution in Japan. He said that the British Government and Shell advocate non-acceptance by the companies of those quotas but that Standard feels that the quotas should be accepted. [Here follows a discussion of details.]

S[TANLEY] K. H[ORNBECK]

894.24/1307

*The British Chargé (Butler) to the Adviser on Political Relations
(Hornbeck)*

WASHINGTON, January 8, 1941.

DEAR DR. HORNBECK: With reference to our conversation of January 6th, I enclose a list⁷ showing departures for Japan from United States ports of Panamanian tankers and of one Philippine tanker during November and December.

These eight Panamanians have been engaged regularly in the trade. Four vessels are owned by United States interests, and of the others one, the "Norness", has now been withdrawn from this route, while we have reason to believe that the owners of two, if not of all of the remaining three, will respect any proposals to curtail Japan's chartering of foreign flag tankers. The problem of employment for these vessels is eased by the existing tight tanker market.

If, as the estimates made recently in London seem to indicate, Japan at her current rate of import is still accumulating stocks of oil, I feel that this must be a matter of serious concern to both our Governments, and a limitation of Japanese chartering of foreign flag vessels seems to offer the most practical means of correcting the situation in a manner least likely to provoke Japan. This was one of the suggestions of my previous memorandum: my Government would be ready to cooperate with the United States Government in such further measures as may be possible to this end, if the United States Government is in a position and is willing to discourage or curb Japanese chartering of foreign flag vessels owned by United States interests under Panamanian or other flags.

I write also to confirm that the figure of 140,000 tons, given you yesterday morning on the telephone as the amount of oil involved in the Japanese offer of an increased quota for the Shell organization in Japan, is only an approximate one. Accurate figures have been requested of London. Nevertheless, the amount is certainly greater than

⁷ Not printed.

that involved in the proposal to the Standard Oil Company: the two amounts together represent a substantial addition to Japan's imports.

The tonnage involved would be supplied by the companies and would represent a net addition to the tanker tonnage now engaged in the Japanese trade. I therefore hope very much that the United States authorities will find it possible, in order to prevent fresh tonnage becoming available to Japanese trade, to advise the Standard Oil Company of their desire that they should not make increased deliveries under the Japanese proposals. In such circumstances the Shell would be guided by the wishes of His Majesty's Government, who would give them similar service.

In this question, as you know, we are concerned not only with the restriction of Japanese imports of oil but also with the tanker tonnage situation in general. Voyages to Japan from the United States consume greater time than voyages to the United Kingdom. Our own tanker needs being now so urgent, any transfer of tonnage from the Japanese trade would be most helpful to us, and seeing that our shortage must be known to the Japanese, any such transfer could hardly appear unreasonable to them. Similarly any additional tanker tonnage put at the disposal of the Japanese, especially if supplied by the Standard and Shell Companies would materially harm our own tanker position and might, as it seems to me, give the Japanese an impression of diminishing resolution.

To this rehearsal of certain points in our conversation of January 6th I would add that tanker curtailment would not materially detract from Japan's ability to import aviation gasoline, other gasolines, and lubricating oils, as these products are carried chiefly in steel drums as part of general freight cargoes. I mention this in case the United States authorities feel it desirable to give consideration to the question of restraining this trade, which has latterly been increasing, perhaps through subjecting the export of drums to licence.

Yours very sincerely,

NEVILLE BUTLER

894.6363/378

Memorandum by the Adviser on Political Relations (Hornbeck)^a

[WASHINGTON,] January 11, 1941.

The problem of regulating, curtailing or prohibiting exports of petroleum products to countries of the Far East, especially Japan, is one that involves weighing of many factors and requires great delicacy in handling.

^a Prepared at the request of the Secretary of State and sent to him on January 14.

Any procedure which involves a cutting down of exports, as regards *any* commodity, is a procedure which has adverse effects in both directions: it makes difficulties for the country which is deprived of the commodity and it disturbs the economy of the country which applies the embargo.

In relation to procedures which affect the petroleum industry and trade in petroleum, this Government has been moving very circumspectly. We know that to the Japanese petroleum is an essential import. We know that to this country petroleum is an important export. We know that there are available to Japan many sources of petroleum other than this country. We know that Japan aspires to the acquisition of a controlling interest in the economic and the political life of certain regions in the Far East in which there lie substantial sources of petroleum. We know also that there are various other regions in the world in which the authorities and from which the producers are by no means adverse to supplying Japan with petroleum products.

We are opposed to Japan's general program of subjugating neighboring countries by force and establishing Japanese political control over unlimited areas both on land and at sea. We have been opposing Japan's efforts in pursuit of those objectives by various measures on our part short of war. Also, we are now engaged in a gigantic effort of our own in pursuit of our defense program, and we are conserving, by measures which we believe reasonable, this country's resources.

Thus far, we have interfered with the petroleum trade only to the extent of prohibiting export of "aviation gasoline", that commodity being described by the formula which is popularly described as "87 octane". At the time when this restriction was imposed last summer,⁹ the Japanese were in process of making contracts for delivery to them at an early date of a huge and altogether extraordinary amount of high-octane gasoline. The imposition of that restriction at that moment prevented the consummation of that Japanese effort. Since then, the Japanese have purchased extraordinary amounts of gasoline approximating but just under the "87 octane" specification. It has been pointed out to us from many sources that the restriction which now exists is not preventing Japan from accumulating huge reserves of aviation gasoline; and it has been urged upon us from many sources, including large exporters of petroleum products, that the restriction upon exports of gasoline be considerably broadened by reducing the "87 octane" to a considerably lower figure.

⁹ See proclamation and regulations of July 26, 1940, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 216 and 217.

There was for some time a very important political reason for not taking any new action regarding exports of petroleum products. The Japanese had made a demand on the Netherlands East Indies for contracts which would provide for the procuring by Japan from the Netherlands East Indies of petroleum products to the amount of 3,150,000 tons per annum for five years. Japan was in position to bring pressure, including military pressure, upon the Netherlands Indies authorities. It was considered that pressures, if brought to bear upon Japan by processes of interference with exports to Japan from other countries of petroleum products, would tend to cause the Japanese to increase their pressure upon the Netherlands East Indies. In their negotiations, the companies which produce in and sell from the Netherlands East Indies succeeded in producing an agreement whereby, instead of 3,150,000 tons per annum for five years, they are committed to selling to Japan 1,800,000 tons per annum, much of this on a six-months' basis and some of it on a twelve-months' basis. It is the belief of officers of this Department who have most intensively observed and studied the situation and developments in the Pacific and in United States-Japanese relations, both political and commercial, that the interests of the United States and of American oil companies producing in and selling from the United States are in a better position today than they would be had not the contracts which were made at Batavia been made. [NOTE: The United States Government as such, although there came to it a substantial amount of information regarding the negotiations at Batavia, had nothing whatever to do with those negotiations; and at no stage did it express approval or disapproval, nor did it in any way interpose.]¹⁰

There were during 1940 extraordinarily large exports from this country to Japan of petroleum products, especially of gasoline just under "87 octane". The Government views this development with regret. During recent months an increasing proportion of the exports has been going forward in metal drums. By this process Japan is acquiring large stocks for which she does not have to provide bulk storage facilities and which she can with maximum of convenience move to points where she is conducting military operations or at which she is establishing bases for possible new operations. The American Government cannot but view this development with regret and with misgivings.

The Japanese are today continuing in their effort to conquer China; they are establishing bases in Indochina; they are engaged in agitation in Thailand and are supplying that country with munitions of war; they are known to be contemplating new movements of aggression southward—into and against the Netherlands East Indies and the

¹⁰ Brackets appear in the original.

general area of which Singapore is a strategic center; they are in various ways rendering certain types of assistance to their Axis partners; they are suspected of supplying and harboring German raiders in the Pacific; and they are constantly making threats, of a contingent character, that they may make war upon the United States.

It is estimated that the Japanese have stored up reserve supplies of petroleum products sufficient to meet their needs for a period of from nine months to a year; also, that the amount of their reserves is being increased rather than decreased.—It is easily conceivable, world conditions being what they are, Japanese psychology and Japanese policy being what they are, and American policy and psychology being what they are, that a time may come in the not distant future when Japan and the United States will be “at war”. In such event, petroleum products which have been imported by Japan from the United States will of course be used by the Japanese for operations of the Japanese navy and the Japanese air force against the naval and air forces of the United States.

The American Government has not thus far seen fit to impose embargoes, except as above recorded, upon export of petroleum products from this country to Japan. It has, however, indicated to the petroleum trade that it does not look with favor on unlimited or excessive supplying to Japan of petroleum products. It has hoped that the petroleum industry would exercise self-restraint and discreet self-denial in regard to this trade. It is believed that American petroleum companies could cut down very substantially upon their exports of petroleum products, especially of gasoline, to Japan, without substantial financial losses to themselves and without giving the Japanese tangible grounds on which to base complaints.

(NOTE: It might be suggested to the present and future inquirers that two procedures in particular might helpfully be adopted:

- (1) They might refrain from supplying tankers;
- (2) They might discontinue supplying of metal containers—including storage tanks, drums, metal hoops, et cetera.)

894.6363/378

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Adviser on Political Relations (Hornbeck)*

[WASHINGTON,] January 13, 1941.

MR. HORNBECK: With reference to your memorandum of November [January] 11 on the subject of petroleum exports to Japan FE¹¹ offers, in response to your invitation, comment as follows:

¹¹ Division of Far Eastern Affairs.

FE is in complete accord with the view expressed on page 4 of the memorandum under reference that the interests of the United States and of American producers and exporters of oil were served by the recent conclusion of agreements between the Netherlands East Indies and Japan. FE also concurs in the views that it is regrettable that Japan continues to receive from the United States a large share of its petroleum requirements and that in the event of war between Japan and the United States Japan would of course make use of petroleum products of American origin. However, the essential feature of such a situation would seem to be not the particular origin of Japan's stocks of oil but rather the existence and extent of such stocks. Furthermore, it is suggested that the primary reason why, as stated above, the interests of the United States and of American oil companies were served by the recent conclusion of agreements between the Netherlands East Indies and Japan was the fact that Japan by that means obtained petroleum products in such quantity as, at least for the time being, to cause it to refrain from any attempt to seize by military force such oil supplies in the Netherlands East Indies as were deemed to be of vital necessity to Japan's economy. If, irrespective of the means employed, effective steps are now taken to curtail materially Japan's purchases of petroleum products it would seem almost certain that the time will come when Japan will take the situation into its own hands by attempting to meet its needs through attack and seizure—presumably in the first instance on the Netherlands East Indies. Unfortunately it is impossible to forecast with any degree of certainty the point at which restrictive measures would produce such a result but it is quite likely that in Japan's present desperate frame of mind no great amount of restrictive action would be required to touch off an explosion in southern Asiatic waters—a development which it is believed should be prevented if at all practicable pending further clarification of the European situation.

In view of the foregoing FE of course concurs in the view that it would be well to avoid further legislation and the issuance of executive orders which would call for a substantial curtailment of exports of petroleum products to Japan. With reference to the question of urging the petroleum industry to exercise self-restraint with respect to its trade with Japan FE is of the opinion that, except as a last resort when no other means seem available, requests of private industry for assistance in furthering Departmental policy beyond the bounds of existing law and regulation and at substantial cost to such industry should be avoided. However FE would perceive no objection to intimating to such American interests as own or control tankers engaged in the carriage of oil to Japan that they may care to investigate the possibilities, which are said to exist, of obtaining equally

advantageous charter parties for the carriage of other goods which, because of differing ownership, destination and intended use of such goods are more likely to further American interests. To such action could be coupled that of placing upon our restricted lists metal drums, containers and metal barrel hoops, the export of which could with warrant be prohibited on the basis of national defense and thus, while not creating unnecessary friction by preventing Japan from purchasing oil in the United States, retard and render much more difficult the carriage to Japan of petroleum products as "package goods".

FE also offers for consideration the possibility that the present desire of the British Government to curtail oil shipments to Japan (a desire which is strangely at variance with its attitude in the past when it was fearful of the results of repressive measures taken or believed to be under consideration by the American Government) may be caused at least in part by the fact that unlike American oil interests which have thus far been able to transfer their funds from Japan to the United States, British oil interests are unable to obtain such facilities and therefore any increase in the British oil quota can only result in augmenting British-blocked funds.

M[AXWELL] M. H[AMILTON]

711.94/1963

Memorandum by the Adviser on Political Relations (Hornbeck) to the Under Secretary of State (Welles)

[WASHINGTON,] January 16, 1941.

MR. WELLES: Reference, the project sponsored by the Council on Foreign Relations known as "Studies of American Interests in the War and the Peace."

One of the groups into which the "Studies" project has been divided is the Group on Economic and Financial Questions, of which Messrs. Alvin H. Hansen and Jacob Viner are Joint Rapporteurs. Under date November 23, 1940, there was prepared for this group by William Diebold, Jr., a memorandum entitled "Japan's Vulnerability to American Sanctions" which contains, at pages 23-24, the following observations:

"Certain additional steps might be taken to make a joint embargo watertight by keeping Latin American supplies from Japan:

"1. The United States and Great Britain might buy up strategic products for their own defense and war efforts, leaving nothing for Japan; this would hardly be feasible for oil however, which is available in such great quantities.

"2. Withholding shipping from Japan, especially the Scandinavian tankers, would make it much more difficult for that country to buy from Latin America.

"3. Japan could not be permitted to procure free foreign exchange to finance purchases in Latin America; Japan could not be allowed to sell to the United States if she were not allowed to buy here; nor could we buy Japanese gold.

"4. Pressure on American, British and Dutch companies owning oil and copper in Latin America not to sell to Japan would greatly extend the embargo; however there would be the danger of arousing the hostilities of local governments interested in selling as much abroad as possible.

"5. Some form of commodity cartel or joint marketing agreement such as was adumbrated at the Havana Conference¹³ might be operated to keep products from Japan.

"6. Refusal to sell to Japan might be made a part of Pan-American cooperation, and a condition favorable for securing United States loans.

"Short of a joint embargo by the United States, British Empire countries, and the Dutch East Indies, on all trade with Japan, or all trade in war materials, there are measures which would be effective in varying degrees in checking Japan's war effort. For instance, an embargo by the United States alone, which might be accompanied by an agreement that British and Dutch countries would hold sales to Japan to a pre-embargo level; a boycott of Japanese goods, making it difficult for her to buy war materials; use of defense measures to keep war materials from Japan; a step by step embargo of the sort already embarked on; strategic purchases interfering with Japan's sources of supply, for example, Philippine Islands iron ore; shipping restrictions. Each of these measures would hamper Japan's war effort; their total effect would depend on the pace at which they were applied and the care with which they were directed at vulnerable points in Japan's economy.

"An embargo by the United States alone, while injurious to Japan's economy, would not stop her war effort. However, if British and Dutch countries agreed not to sell Japan more oil, iron ore, aluminum, and other products than before the embargo was imposed, it might well be effective. Certainly a joint embargo by the United States, British Empire countries, and the Dutch East Indies would limit the life of Japan's war effort to the size of her stock piles."

S[TANLEY] K. H[ORNBECK]

894.24/1309

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Under Secretary of State (Welles)*¹⁴

[WASHINGTON,] January 23, 1941.

MR. WELLES: In response to your intimation that you would like to have consideration given to the question of possible withdrawal

¹³ Second Meeting of the Ministers of Foreign Affairs of the American Republics, held at Habana, July 21-30, 1940. See *Foreign Relations*, 1940, vol. v, pp. 1 ff.

¹⁴ Concurred in by the Adviser on Political Relations (Hornbeck).

from Japanese use of American and foreign-owned tankers now engaged in the carriage of oil to Japan, FE has prepared the attached memorandum¹⁵ in which is offered the suggestion that the concerned American oil companies be approached informally with a view to causing them voluntarily to seek for their vessels cargoes other than petroleum products destined for Japan.

M[AXWELL] M. H[AMILTON]

811.20 (D) Regulations/3552

Memorandum by the Adviser on Political Relations (Hornbeck) to the Secretary of State

[WASHINGTON,] January 23, 1941.

MR. SECRETARY: Having requested from FE, EA,¹⁶ and CO¹⁷ their views on the subject of placing under license steel drums (containers for petroleum products), storage tanks and materials therefor, oil well drilling equipment, and some other commodities, I have returns from FE, EA, and CO indicating approval as regards drums, tanks and materials therefor, and oil well drilling equipment. I myself and Mr. Hiss^{17a} also favor putting those items under license.—I recommend that this Department inform the Administrator of Export Control that we favor putting those items under license, and I recommend that this action be taken today—in anticipation of a conference which is to be held tomorrow at which those things can to advantage be considered. I believe that the sooner this action is taken the better.¹⁸

S[TANLEY] K. H[ORNBECK]

811.20 (D) Regulations/3552

The Chief of the Division of Controls (Green) to the Administrator of Export Control (Maxwell)

WASHINGTON [undated].¹⁹

THE ADMINISTRATOR OF EXPORT CONTROL: It is recommended, on behalf of the Committee designated by the Secretary to act in liaison with you, that there be prepared for presentation to the President at the earliest possible moment a draft of an Executive Order sub-

¹⁵ Not printed.

¹⁶ Office of the Adviser on International Economic Affairs.

¹⁷ Division of Controls.

^{17a} Alger Hiss, Assistant to the Adviser on Political Relations (Hornbeck).

¹⁸ Notation by the Chief of the Division of Controls (Green): "Concur".

¹⁹ Probably January 23; see also proclamation No. 2456 and Executive Orders Nos. 8668 and 8669, of February 4, *Foreign Relations*, Japan, 1931-1941, vol. II, pp. 241, 242, and 243.

jecting the following iron and steel products to the licensing requirement:

Metal drums and containers (having a capacity of forty gallons or more) for petroleum products.

Storage tanks, new or used, for petroleum products and knocked-down material for such tanks.

The exact definitions of these articles should, of course, be determined by experts of the interested agencies of the Government and the above are merely suggested as a basis for discussion.

It is also recommended that oil well drilling equipment be subjected to the licensing requirement at the same time. Whether this can be done by a simple directive under the existing regulations concerning equipment for the production of aviation lubricating oil or whether action by the President in this case also will be necessary is a matter which I assume you will wish to decide.

It is understood that you are considering the advisability of subjecting to the licensing requirement certain other iron and steel manufactures. It is suggested that it would be desirable from the point of view of foreign policy, if you do intend to add any such articles to the licensing list, that they be added simultaneously with the metal drums, storage tanks and oil well drilling equipment referred to above.

JOSEPH C. GREEN

894.33/56

The British Embassy to the Department of State

AIDE-MÉMOIRE

On January 23rd the British Ambassador in Tokyo reported that the Japanese Ministry of Marine had made the following communication to the British Naval Attaché.

“The special service ship *Asaka Maru* of the Imperial Japanese Navy will be sent to Lisbon on a mission to protect Japanese residents in Europe and to transport changing military and naval attachés to Embassies and Legations in accordance with the undermentioned programme. The Imperial Japanese Navy request the wholehearted cooperation of the Royal Navy in regard to the protection of the ship from any danger, and also that the military authorities concerned will be notified by the Royal Navy accordingly.”

The vessel in question is a merchant vessel which has been taken up by the Japanese Government for the purpose of making this voyage. According to the British Ambassador in Tokyo the vessel flies the Japanese naval ensign, is manned by naval ratings and carries armament.

In reply to the Japanese Ministry of Marine's enquiry Sir R. Craigie was instructed to inform the Japanese Government that as the *Asaka Maru* contemplated entering waters where Germany and Italy were engaged in unrestricted sea warfare against Great Britain His Majesty's Government could not take any responsibility for the vessel's safety.

The *Asaka Maru* passed through the Panama Canal en route for Lisbon on February 8th. She was carrying a number of Japanese officers proceeding to take up appointments at various diplomatic missions in Europe together with certain naval officers who were, it is believed, proceeding on a technical mission to Germany. It is understood the ship carried no cargo on her journey to Lisbon.

On the other hand the Japanese Ministry of Marine informed the British Naval Attaché on January 31st that it was intended that the *Asaka Maru* should on her return voyage carry a certain amount of cargo consisting of goods destined exclusively for the Japanese Navy. The Ministry of Marine admitted that these goods might be of German, Italian or French origin. According to His Majesty's Government's information the cargo to be shipped on board the *Asaka Maru* will include electric transformers and rectifiers, large hydraulic presses, Strontium, Cryolite, Oerlikon Guns, optical equipment and 2000 bottles of Mercury. The cargo may contain other still more important items, including possibly valuable technical apparatus such as submarine detectors.

In view of the definite admission by the Japanese authorities that this ship may be carrying goods of enemy origin His Majesty's Government feel that they would be amply justified in intercepting the vessel and examining the cargo since the normal immunity enjoyed by a warship must clearly be regarded as forfeited if the ship fails to confine herself to her functions as a vessel of war. Furthermore His Majesty's Government are bound to take into consideration the fact that there is good reason to suspect that the cargo consists of material which might be of particular value to the Japanese Navy for possible use against the British Fleet.

In normal circumstances therefore the British authorities would certainly feel bound to intercept the *Asaka Maru*. On the other hand, as Sir R. Craigie has pointed out, to intercept the ship might in present circumstances bring about a major incident between His Majesty's Government and the Japanese Government. In fact the question would seem to turn upon whether or not the Japanese are prepared to enter the war on Germany's side against Great Britain in the immediate future. If they are not so prepared then His Majesty's Government feel that they could probably afford to take a

firm line in the matter; if on the other hand the Japanese are prepared to enter the war then to intercept the ship might give the Japanese a pretext for declaring war.

In view of the importance of the issue involved His Majesty's Government before going any further with the matter would wish to consult United States Government and ascertain their views in the matter and to know whether they would regard it as justifiable to take the risk involved in an attempt to subject the *Asaka Maru* to contraband control.

In bringing the matter to the attention of the United States authorities His Majesty's Embassy is instructed to emphasize that there is every reason to believe that this affair constitutes a deliberate plan on the part of the Japanese to evade the British blockade. Furthermore during the last year the British authorities allowed a number of Japanese ships to pass through the blockade with machinery and other goods of enemy origin urgently required by the Japanese Navy; and when the *Nagara Maru* was allowed through the blockade in the autumn of 1940 it was stipulated that this vessel should be the last to which such facilities were granted.

If it is decided to intercept the vessel it is most desirable the Japanese Government should be warned before the ship is loaded. She is now in Lisbon and may commence loading in the very near future. That being so a very early expression of the views of the United States authorities would be appreciated.

WASHINGTON, February 20, 1941.

894.33/56

*The Department of State to the British Embassy*²⁰

AIDE-MÉMOIRE

Reference is made to the British Embassy's *aide-mémoire* of February 20 in regard to the question of the carrying of cargo from Portugal to Japan by the *Asaka Maru*, an auxiliary vessel of the Japanese Navy.

It is not clear from the *aide-mémoire* under reference whether the stipulation that the *Nagara Maru* should be the last vessel which would be given facilities to pass "through the blockade" was a unilateral statement by the British Government or was in the nature of an agreement between the British and the Japanese Governments; nor is it clear whether reference is made to a blockade in the ordinary sense of the term or to the economic blockade declared by the British Government.

²⁰ Handed to the British Ambassador on February 21 by the Under Secretary of State.

In all the circumstances of the case, so far as they are known to the Government of the United States, warrant for interference with the *Asaka Maru* might be lacking in substantial legal support and hence might be regarded in a very serious light by the Japanese Government. In view of the Government of the United States, there is also the question whether the cargo would be of serious moment from the point of view of general naval operations.

While the British Government will of course appreciate that responsibility for a decision in this case rests with it, the Government of the United States, on its part, would not desire to raise an issue of this character unless it felt that its position was well founded.

WASHINGTON, February 21, 1941.

894.6363/379

*Memorandum of Conversation, by the Adviser on Political Relations
(Hornbeck)*

[WASHINGTON,] February 24, 1941.

Mr. Butler, Minister Counselor of the British Embassy, called on me this afternoon at his request.

Mr. Butler showed me a revised edition of a memorandum on the Japanese oil situation of which he had brought me an earlier edition some ten days ago. I had, when he brought me the earlier edition, pointed out certain inaccuracies in statements involving the Department of State and had suggested revision thereof. In the new edition the revisions had been made.—Mr. Butler also showed me a memorandum, without subject heading, which dealt with the subject of oil policy in relation to Thailand.

Having put these memoranda in my hands, Mr. Butler proceeded to register, in friendly tones but with expressions of pained regret, a complaint to the general effect that his Government had addressed to this Government through him and through me, in November last,²¹ certain observations on the subject of oil policy, and had received no reply. Mr. Butler said that this situation reflected upon him and that his Government was pressing its new Ambassador²² here to get action where its Chargé had been unsuccessful. I said to Mr. Butler that it was a matter of regret to me that any matter regarding which there were contacts between him and me should be productive of embarrassment to him, but that if he would review developments in the matter—which I proceeded to outline—I thought he would agree with me that

²¹ Not printed; see memorandum of conversation by the Adviser on Political Relations, January 6, p. 774.

²² Viscount Halifax.

the fact that his Government had received no reply was due to circumstances over which neither he nor I had any substantial measure of control. There followed some discussion of the problems, procedures, possibilities, et cetera, involved; and in the light of that discussion I suggested to Mr. Butler that either he or the British Ambassador leave the two memoranda which Mr. Butler had just shown me with the Secretary or the Under Secretary of State. After some further discussion, Mr. Butler left me with the impression that he would suggest to Lord Halifax that he leave them with the Under Secretary.

894.24/1252 : Telegram

The Consul General at Singapore (Patton) to the Secretary of State

SINGAPORE, February 27, 1941—5 p. m.

[Received February 27—4:50 p. m.]

10. The Colonial Secretary informs me that Japanese Consul General has recently expressed dissatisfaction with restricted amounts of tin and rubber authorized for export to Japan from Malaya; that to these representations Colonial Secretary had replied that his Government would continue to exercise existing stringent control over shipments to Japan in order to prevent their re-export to Germany; that even if Japan prepared to give assurance that none of Malayan exports would be shipped to Germany this would not be satisfactory as Japanese could use Malayan commodities for consumption and re-export like imports from other sources such as Thailand and Indo-China; and further that increased Japanese purchases of tin and rubber from other sources would be counterbalanced here by reduction in authorized exports.

PATTON

894.24/1262

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] March 3, 1941.

The British Ambassador called at his request. He handed me the attached documents regarding Japan's purchases of strategic materials, and particularly relating to oil. He brought up the question of an embargo on exports of gasoline to Japan. I said to him that we had already been giving the matter full attention and then proceeded to call attention to the Persian Gulf oil area to which Japan would probably turn if and when the United States should impose such an embargo against Japan. He said he would look into that phase and see

what his country was prepared to do along similar lines. I reminded him that fifty percent of the Persian Gulf fields were owned by British. I stated finally that we were considering embargoes on lubricating oils and certain fats; that this related to mineral, vegetable and animal oils.

C[ORDELL] H[ULL]

[Annex 1]

The British Embassy to the Department of State

1. One of the main weapons which the Democracies hold against Japan is her dependence on them for many of the materials without which she would be unable to maintain her war effort.

2. The power of this weapon has already been seriously weakened since Japan has been able over the last twelve months to import quantities of these materials far in excess of her current consumption needs. A large proportion of these excessive imports has undoubtedly gone to build up strategic reserves which if allowed still further to increase will shortly render Japan independent.

3. The policy of avoiding provocation to Japan is thus having the direct result of enabling her to make war on us at the moment most favourable to herself. As long as she has not sufficient reserves she is unlikely to risk a war which must cut her off from further supplies.

4. *The first step* required therefore is that a decision in principle should immediately be taken as to whether Japan is to be prevented from accumulating further stocks, by restricting her future imports from controllable sources to quantities not in excess of her estimated current consumption needs. There is no need to force Japan into war by a policy of complete economic encirclement. The denial of *excess* supplies, which would enable her to build up strategic reserves, may well suffice as a deterrent, while in any case it will weaken her if she decides to embark upon war.

5. If this decision in principle can be taken, it becomes necessary to proceed immediately with discussions as to the means by which it can be put into practice.

6. The means we have at hand are :—

- (a) Export Licence Control
- (b) Restriction of shipping facilities
- (c) Preemption of key materials in Latin America
- (d) Restriction of purchasing power by limitation of imports from Japan.

7. The co-ordination of these various methods and the extent to which they are to be put into practice in the various countries concerned so as to avoid the risk that the stoppage of one leak does not

lead to the opening up of another, requires detailed examination by experts.

8. *As the second step*, the United States Government might perhaps be willing to consider the establishment of a centralized unit, representative of the several Departments concerned, and empowered to examine the above problem and to make recommendations for the action necessary to carry out the basic policy.

9. *In particular*, it would seem of the first importance if possible to establish such a body for the examination of the oil problem. The danger of Japan accumulating stocks of oil is vital since this is her most serious deficiency and is essential to her war effort.

In view of the paramount importance of this question, it is dealt with separately in the attached memorandum.²⁵

10. The need for action on economic policy towards Japan is urgent. His Majesty's Government hope therefore that the United States Government will be prepared without delay,—

- (a) to make the decision in principle as outlined in paragraph 4 above,
- (b) to set up the centralized unit for the purpose of expert discussions as set out in paragraph 8 above.

[WASHINGTON,] March 3, 1941.

[Annex 2]

The British Embassy to the Department of State

1. The position with regard to oil supplies to Japan is of particular urgency; in the last six months of 1940 more than one million barrels of aviation grade spirit went to Japan, compared with 560,000 barrels in the twelve months of 1939. In 1941, 180,000 barrels have already gone, and orders for an additional 250,000 barrels are reported. In Thailand stocks of aviation grade gasoline are equal to from two to three years supply on the basis of consumption prior to 1940, and these stocks may well be available for use by Japan against the Burma Road or as a reserve for use against Malaya.

2. We are not proposing a complete embargo; the suggestions, which we originally submitted on November 10th [20th?], 1940²⁶ but to which we have been unable to obtain a reply, involve co-operative action with the United States to prevent Japan accumulating excessive stocks by curtailing her use of non-Japanese tankers. The effect of this would be to cut shipments by some seven and a half million barrels per year and this, it is believed, would reduce Japanese imports to current consumption needs.

²⁵ Printed as Annex 2, below.

²⁶ Not printed.

3. Such measures would meet the problem of quantity but not that of quality; i. e. of the grades of oil which Japan takes. This is a problem for U. S. licencing control, for it is only from the United States and the Netherlands East Indies that Japan can draw the varied qualities of oil, many of which we consider dangerous and in the case of the Netherlands East Indies, quantities and qualities are already temporarily fixed by an agreement with which the United States Government is thoroughly familiar.

4. The main issue is, does the United States Government agree in principle to a policy designed to curb imports of oil to Japan to an extent which will prevent her accumulating further stocks?

5. If this policy is agreed upon, does the United States Government accept our figures? If our figures are accepted, does the United States Government agree to our proposed methods and will they introduce supplementary measures to cover the ground which is beyond our reach? (See paragraph 3 above).

6. These are matters of complicated detail for expert examination and we regard it as an immediate and urgent essential that we should be able to discuss them with a centralized committee representing the Departments in the United States Administration who are concerned with this problem.

Detailed memoranda on the oil position in Japan and Thailand are submitted ²⁷ to form a basis for such discussions.

[WASHINGTON,] March 3, 1941.

811.20 (D) Regulations/1358 : Telegram

The Secretary of State to the Consul General at Shanghai (Lockhart)

WASHINGTON, March 4, 1941—4 p. m.

140. Your 197, February 15, 2 p. m.²⁸ The policy of this Government in respect to the control of exports is based primarily upon the needs of our own industry in carrying out our own defense program. There is a deficiency or a threatened deficiency of the great majority of the articles and materials subject to export control. When an exportable surplus is available, preference is given to the needs of Great Britain, of other countries engaged in resisting aggression, and of the American Republics. Exports to other countries are permitted with as great liberality as the situation warrants after the needs of the foregoing have been met, but there is little likelihood that substantial exports to Shanghai can be permitted. All applications will, however, be carefully considered and in exceptionally meritorious cases may be granted.

²⁷ None printed.

²⁸ Not printed.

The Department contemplates no change in the attitude expressed in its 580, November 22, 3 p. m., and its 48, January 25, 2 p. m.³⁰

HULL

894.24/1329

The Consul at Tsingtao (Meyer) to the Secretary of State

No. 73

TSINGTAO, March 4, 1941.

[Received April 17.]

SIR: With further reference to my telegram no. 10 February 11, 3 p. m.³¹ I have the honor to report that the American ship *S. S. Scottsburg* arrived at this port on February 20, 1941, carrying for the account of Mitsubishi Shoji Kaisha a cargo of 37,904 drums of gasoline each containing about 53 gallons and 834 tons of diesel fuel oil in bulk amounting to 5,874 barrels.

Total arrivals of gasoline at Tsingtao from America on American ships for Mitsubishi Shoji Kaisha during February amounted to 69,988 drums or approximately 3,709,364 gallons. It is estimated that this gasoline total is more than all the oil companies including British and Japanese sold in this area during 1940.

The 834 tons of diesel fuel oil imported represents a small amount in comparison to total imports during 1940. Last year Japanese interests imported 13,241 tons of diesel fuel oil compared to 3,941 tons in 1939. Two oil storage tanks with a capacity of 3,000 tons each were completed for Mitsubishi Shoji Kaisha last year and have been used to store the recently arrived oil.

As far as can be ascertained neither the gasoline nor diesel fuel oil were assessed duty by the Chinese Customs and it is therefore presumed that the shipments were destined for military and naval use. Very little diesel oil is sold commercially at Tsingtao. Another fact pointing to the military character of the shipments was that the American ships were immediately given a berth at No. 3 Wharf upon arrival. No. 3 Wharf is not open to Third Power vessels and when not occupied by Japanese military transports, it is made available for Japanese ships only on a restricted basis, i. e., when all other berths at the No. 1 and the No. 2 Wharf are in use.

[Here follows explanation of lack of shore leave for crew due to Japanese military restrictions.]

Respectfully yours,

PAUL W. MEYER

³⁰ Neither printed.

³¹ Not printed.

894.6363/3761

Memorandum by Mr. Cabot Coville of the Division of Far Eastern Affairs

[WASHINGTON,] March 8, 1941.

LIMITATION OF PETROLEUM EXPORTS TO JAPAN

Over a period of years the volume of exports from the United States to Japan of the various categories of petroleum products has generally increased. This increase has been substantial but more or less even, with the exception that the latter half of 1940 shows a very sharp increase concentrated particularly in gasoline (in containers). Increase in various categories of lubricants was considerable but not as sharp as in gasoline.

This increase of Japanese takings of petroleum products especially concentrated in gasoline in containers is unquestionably related to the war and war preparations. It is possible that part of the increase of exports is finding its way to Germany, and it seems certain that the increase is serving to augment Japan's preparedness for war, if war should occur between Japan and Great Britain or the United States or both. The question of limiting these exports is obviously of great importance and of great immediate importance.

The possibility of arriving at some formula for limiting petroleum products exports to Japan has been carefully studied in the light of effect upon Japan. It is believed that any system of limitation which may be arrived at should be a system applying to countries generally (not to Japan alone), although in accordance with present American policy it is to be expected that the Western Hemisphere, Great Britain, Greece, The Netherlands, and such countries as might from time to time be particularly singled out for similar reasons would be excepted from the restrictions. This study, although based upon the premise that a system of limitation of petroleum products exports would apply to countries generally (with the exceptions mentioned) has nevertheless been directed only toward effect upon relations with Japan. Its applicability or inapplicability to relations with other countries would require separate study.

It is recommended that exports for each quarter year period be limited to one quarter of the 1936 quantities of United States exports of petroleum products, category by category in the various categories listed in the official export returns of the United States Government for 1936, the quota for each category to be increased, and to be increased hereafter, by one percent for each quarter year period to allow for presumed increase of ordinary commercial needs. It is recommended that, because quotas for aviation gasoline could not be availed of under present regulations, there be established a lump quota for gasoline of all types based upon the sum of the exports in 1936 of natural gasoline,

aviation gasoline and other gasoline; and that, because of changes in classification of lubricating oil exports, the lubricating oil quota be a lump quota based upon the sum of the exports in 1936 of all types of lubricating oils.

[Here follows a review of the statistics of exports of petroleum products to Japan in 1936-40.]

894.5034/23 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТOKYO, March 10, 1941—5 p. m.

[Received March 10—10:05 a. m.]

383. In view of recently enacted legislation extending rigid government control over all industrial production, American owned corporations engaged in manufacturing are extremely apprehensive over their investments in Japan. Such legislation prescribes a license system for the manufacture of designated important machines and machine tools and for raw materials. It provides for expropriation of lands, materials, labor, plants and equipment, for compulsory amalgamation of factories and changes in types of machinery produced. It further provides for inspection and supervision of business offices, factories, warehouses and accounting books and for the fixing of prices. Moreover, it is anticipated that under the broad provisions of the revised general mobilization and foreign exchange control laws the enforcing regulations will stipulate a Japanese majority of share holdings and membership of boards of directors together with complete Japanese control of management.

Under such strong pressure American firms here are almost certain to be squeezed out entirely through refusals of permits for raw materials, the sale of their property and the transfer of funds to the United States. This applies particularly to General Motors, Ford, Otis Elevator and other industrial companies together with others who have large frozen cash balances.

This matter is of extreme importance at the moment when extensive rationalization of industrial production and more rigid foreign exchange control are contemplated under the new legislation. Many Americans have recently approached me and members of my staff for advice and assistance. They feel that the situation has gone far beyond the state of "embarrassment" from having their funds tied up and that they are now faced with the strong probability of losing the entire or better part of these investments and cash holdings from being squeezed out of business and the likelihood of heavy exchange depreciation.

The same situation has existed to a lesser extent for the past three years and representations have been made to the Foreign Office on specific cases in compliance with the Department's instructions No. 1345, October 4, 1937,³² and No. 1359, October 29, 1937,³³ but without satisfactory results. It therefore appears not only justifiable but essential that some steps be taken immediately to permit of exercising control whenever deemed advisable over the liquidation of Japanese assets in the United States and the transfer of the proceeds to Japan, such control to be utilized in effecting the liquidation and transfer *pari passu* of American holdings in Japan to the United States.

I am convinced that any assistance which this Embassy will be in a position hereafter to render Americans in this particular dilemma will depend on our Government's frankly informing the Japanese Government that the treatment of Japanese holdings in the United States will rest entirely upon that accorded American holdings in Japan. I recommend that I be authorized to so inform the Foreign Office.

GREW

811.20 (D) Regulations/1744

*Memorandum of Conversation, by the Chief of the Division of Controls
(Green)*

[WASHINGTON,] March 13, 1941.

I called Mr. Thorold, First Secretary of the British Embassy, by telephone today and told him that I had received information indicating that some shipments of articles and materials exported from the United States to Hong Kong, under license, had been re-exported from that colony to areas of China occupied by the Japanese.

Mr. Thorold said that he would have the Embassy telegraph to the Governor of Hong Kong asking him to enable the Embassy to assure the Department that re-exportation of such articles and materials would not henceforth be permitted.

JOSEPH C. GREEN

894.33/48

*The British Embassy to the Department of State*³⁴

AIDE-MÉMOIRE

His Majesty's Embassy have now received the comments of the Foreign Office on the State Department's *Aide-Mémoire* of February 21st about the *Asaka Maru*.

³² *Foreign Relations*, 1937, vol. IV, p. 804.

³³ Not printed.

³⁴ Received in the Department on March 17.

The State Department's *aide-mémoire* said that it was not clear whether the stipulation mentioned in the Embassy's *aide-mémoire* that the *Nagara Maru* should be the last Japanese vessel to be given facilities to pass through the British blockade with enemy exports on board rested on a unilateral statement by the British Government or on a definite agreement between the British and Japanese Governments. The Foreign Office now inform the Embassy that the settlement of the *Nagara Maru* case was based neither on a unilateral statement by the British Government nor on a written agreement between the British and Japanese Governments, but on the very clear understanding that this would be the last occasion on which German or Italian goods would be allowed to proceed to Japan by sea. The Foreign Office point out that the action of the British authorities in permitting the export of enemy goods in this ship was a concession on their part which was coupled with a warning that such concessions would not be repeated.

The State Department *aide-mémoire* also said that it was not clear whether the mention in the Embassy's *aide-mémoire* of the passage of the *Nagara Maru* "through the blockade" was intended to refer to a blockade in the ordinary sense of the term or to the economic blockade declared by the British Government. The term "blockade" was used in the popular sense. As the State Department will be aware the British Government bases its action as regards enemy exports on the doctrine of reprisal, and seizure is effected in virtue of the Reprisals Order in Council No. 1709 of 1939. The Foreign Office telegram suggests that the State Department, in suggesting that warrant for interfering with the *Asaka Maru* might be lacking in substantial legal support, may feel that the vessel itself can claim some sort of immunity by reason of her alleged status as a naval vessel. The British view on this point is that a warship necessarily loses her immunity if she fails to confine herself to her proper functions. Furthermore as regards the major question of the right of His Majesty's Government to interfere with enemy exports the Japanese Government themselves went far towards recognizing this right when in the *Nagara Maru* case they offered to undertake to make no further requests for facilities to enable enemy exports to reach Japan if the British authorities for their part would release the ship with all her cargo.

The State Department *aide-mémoire* also expressed some doubts whether the cargo on board the *Asaka Maru* would be of serious moment from the point of view of general naval operations. On this point the Foreign Office have replied that the British authorities consider it as at least probable that the cargo is of considerable impor-

tance. They hope however to get further information on this point from Lisbon and Bilbao.³⁵

WASHINGTON, March 14, 1941.

811.20 (D) Regulations/1355 : Telegram

The Acting Secretary of State to the Consul General at Shanghai
(Lockhart)

WASHINGTON, March 17, 1941—7 p. m.

173. Your 240, February 28, 4 p. m.³⁶ It would, as you suggested to the [British] Commercial Counselor, constitute a definite violation of the export license regulations to obtain a license for shipment to Hong Kong when in fact the goods were destined for Shanghai.

The Department's attitude in regard to the issuance of licenses for exports to Shanghai is set forth in its no. 140 of March 4, 1941. The Department does not wish, under present circumstances, to place upon you the burden of attempting to weigh the relative merits of applications for exports in general from the United States. You are, however, authorized, in your discretion, to bring to the Department's attention, transmitting full details in each instance, especially meritorious cases in which important American or other interests of concern to this Government would be furthered by the issuance of licenses authorizing exports from the United States to Shanghai.

WELLES

894.24/1339

Memorandum of Conversation, by the Adviser on Political Relations
(Hornbeck)

[WASHINGTON,] March 20, 1941.

Mr. Thorold of the British Embassy, with Mr. Hill, called on me this morning at Mr. Thorold's request.

Mr. Thorold said that the British Government was eager to get, if possible, a reply to and action along the lines of the memoranda which the British Ambassador left with the Secretary of State on March 3 relating to cooperation in the field of trade restrictions and to the

³⁵The Legal Adviser (Hackworth) in a memorandum to the Chief of the Division of Far Eastern Affairs (Hamilton), dated March 21, stated that he found no necessity for engaging in any discussion with the British Government on the legal questions involved and observed that a public vessel does not necessarily lose its status as such by reason of the fact that it carries cargo for the Government. In fact, many vessels, such as naval colliers, tankers, etc., constituting naval auxiliaries, are primarily engaged in carrying cargoes. (894.33/48)

³⁶Not printed.

possibility of dealing more effectively with the problem of preventing excessive accumulation of supplies of oil by Japan.

Mr. Thorold said that it seemed to the British especially desirable to have discussion of these matters and arrival at some conclusions regarding them before the discussions which are going on between Japanese representatives and interested parties, including the government and the oil companies, in the Netherlands East Indies are concluded.

I told Mr. Thorold that the papers which the British Ambassador had left with the Secretary on March 3 had been promptly put into circulation to the offices of this Department primarily concerned; that I did not know where the matter now stood; that I would do what I could to accelerate consideration of it; and that in my opinion it might be well for the British Embassy to bring the matter to the attention of the Under Secretary.

Mr. Thorold handed to me a paper dated March 19, 1941 entitled "Oil for Japan," to which there was attached a statistical exhibit.³⁷ In this paper and the exhibit it is shown that shipments of petroleum from the Persian Gulf area for the years 1938, 1939 and 1940 have been small in absolute amount and almost negligible in comparative amount.

I shall send those papers forward under a separate memorandum.³⁸

S[TANLEY] K. H[ORNBECK]

894.24/1390

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] March 21, 1941.

Reference, my memorandum of conversation with Mr. Thorold of March 20, last paragraph.

The papers here attached,³⁹ handed to me by Mr. Thorold of the British Embassy on March 20, show that the amount of petroleum exported from the Persian Gulf area to Japan for the years 1938, 1939 and 1940 has been small in absolute amount and almost negligible in comparative amount. They show that the contract made between the Anglo-Iranian Company and Japan called for export from Abadan of approximately 1,125,000 barrels; that in 1940 the amount actually sent was 278,000 barrels; that this is 0.8 percent of Japan's total takings of oil during the year 1940 (whereas the United States supplied 71.8 percent); and that the total export in 1940 to Japan from all Persian Gulf sources was 1,009,286 barrels. They state that the oil from Bahrein is owned by the California Texas Oil Company

³⁷ Neither printed.

³⁸ Dated March 21, *infra*.

³⁹ None printed.

and the oil from Saudi-Arabia is owned by a subsidiary of that company. The exports to Japan in 1940 from Bahrein and Saudi-Arabia were approximately three times the amount of the export from Iran.

NOTE: It will be remembered that Mr. Butler stated to me some days ago that Lord Halifax had said to the Secretary that the British Government was prepared to regulate exports of Persian oil and to take the risk of trouble with the Shah of Persia—which they were sure that they would have—in order to get adoption by the United States and Great Britain of a common policy in action which would make the said common policy effective.

In the course of a conversation which I had this morning with Mr. Walden, of the Standard-Vacuum Oil Company, Mr. Walden made to me three interesting statements which have a bearing on the above. (1) He confirmed the information that the amount of oil sent by the Anglo-Iranian Company in 1940 to Japan under the contract had been small. (2) He said that the British Government could absolutely control exports of oil from the whole Persian Gulf area, as they control the Anglo-Iranian Company and as California Texas is a "British company, Nassau registered." (3) He said that he had not the slightest doubt but that the British Government would withhold Persian Gulf oil from Japan completely if the United States would, by agreement, shut down on exports of oil to Japan from this country.

S[TANLEY] K. H[ORNBECK]

894.24/1343

Memorandum of Conversation, by the Assistant Chief of the Division of Controls (Yost)

[WASHINGTON,] March 25, 1941.

Mr. J. S. Dent, Second Secretary of the British Embassy, called this morning to say that he understood that the Department is considering recommending further restrictions on petroleum exports, particularly to Japan, within a very few days. I replied that as he was, of course, aware the British Ambassador had taken the question of oil exports up with the Secretary early in the month and that a careful study was being made of the Ambassador's suggestions. Mr. Dent said that he hoped that the Embassy would be consulted before any definite decision was taken. He remarked that the Dutch are worried about the effect which further restrictions might have on the negotiations with the Japanese for a renewal of the Netherlands Indies oil agreement which expires May 1. He added that the Dutch Foreign Minister ⁴⁰

⁴⁰ E. N. van Kleffens.

hopes to call on Dr. Hornbeck for the second time in the near future and that he will take this question up during that call. I assured Mr. Dent that I would keep him informed of developments in regard to this question.

CHARLES W. YOST

894.24/1318a

The Secretary of State to the Chairman of the United States Maritime Commission (Land)

WASHINGTON, March 26, 1941.

MY DEAR ADMIRAL LAND: The Department understands that there presently exists an inadequate supply of tanker tonnage to meet present global demands for this type of vessel. The Department understands also that the Commission recently has taken steps looking toward a more efficient utilization of shipping controlled by American citizens. The Department understands further that a considerable number of foreign flag tankers owned by American citizens are operating in a trade in the Pacific which would seem to be of unnecessarily large proportions.

In view of this situation, the Department believes, and suggests, that you may wish to give consideration to the possibility of influencing the employment of foreign flag tankers owned by American citizens toward causing them to be operated in trades which may best serve this country's national defense needs.

The Department would also appreciate there being borne carefully in mind its opinion that this subject should at all times be considered as a strictly confidential matter and that any approaches which may be made to American owners of the vessels in question should be effected on an informal and oral basis.

Sincerely yours,

For the Secretary of State:
BRECKINRIDGE LONG
Assistant Secretary

894.5151/234

*Memorandum by Mr. Joseph M. Jones of the Division of Far Eastern Affairs*⁴²

[WASHINGTON,] March 31, 1941.

The British Government proposes to release Japanese funds held in the sterling area against a reciprocal release of British funds held

⁴² Initialed by the Chief of the Division (Hamilton).

in Japan. According to the attached despatch⁴³ this proposal has been favorably received in Japan. The reason for its favorable reception is clearly that blocked funds belonging to Japanese individuals and business firms may be repatriated from the sterling area without net loss of foreign exchange by Japan. The Japanese would certainly not favor a similar arrangement proposed by this country at the present time because Japanese funds may move freely in and out of the United States, there not having occurred any blocking of Japanese funds in this country. An agreement to allow reciprocal repatriation of assets would mean a net loss of foreign exchange to Japan because at present she is free to use her assets here to purchase commodities for shipment to Japan and for other purposes. But if we should freeze Japan's assets in the United States, as our assets are frozen in Japan, our position vis-à-vis Japan would except as noted in the last paragraph hereof be similar to that of Great Britain vis-à-vis Japan. Each would be in the position of blocking the other's funds. Under such circumstances, Japan might be willing to negotiate a reciprocal release of funds with us as she is doing with Great Britain. If Japan were not willing to negotiate immediately for the release of American-blocked funds in Japan those funds could be given certain protection by refusal on our part to unblock Japanese funds of equal quantity except on a *quid pro quo* basis. The bulk of Japanese assets in the United States consists of liquid assets (bank balances) whereas the bulk of American assets in Japan consists of American holdings of Japanese bonds and lesser amounts of direct investments and liquid assets in the form of bank balances. Presumably, in case of freezing by this country, there would not be any great rush to dispose of Japanese bonds or to liquidate direct investments (this process is always slow). There could, however, be a mutual transfer of liquid assets.

Action on the part of this Government in freezing Japanese funds would undoubtedly be resented in Japan much more than was the British action in blocking Japanese funds in the Empire by means of exchange control. The British Government is engaged in a war for survival and exchange control has been imposed globally as a means of husbanding her resources for the war effort, an action which the Japanese can fully appreciate since they arrived at exchange control for the same reason. The Japanese reaction to a freezing of Japanese assets in the United States, however, especially if Japan were singled out for such treatment, would probably be far different; it would probably be resented as further economic pressure by this country on Japan.

⁴³ Despatch No. 5342, February 4, from the Ambassador in Japan, not printed.

894.24/1388

The Counselor of the Canadian Legation (Mahoney) to the Assistant Chief of the Division of Controls (Johnson)

WASHINGTON, April 1, 1941.

MY DEAR MR. JOHNSON: With reference to our telephone conversation this morning concerning shipments of asbestos from Canada to Japan, as promised I enclose herewith a copy of my letter of January 23rd addressed to Mr. Hickerson.⁴⁴ I may say that we have since been informed by the Metals Controller that asbestos fibres of more than three-quarters of an inch in length would be, according to the Canadian classification, No. 1 Crude—that is to say—the highest grade. At present we are granting no permits in this grade for export to Japan. In fact, the Metals Controller has an understanding with the industry that no applications will be filed either for No. 1 Crude (over three-quarters of an inch) or for No. 2 Crude (not more than three-quarters of an inch.)

With regard to shipments to Japan of other grades we have, as mentioned in my letter to Mr. Hickerson set quotas. The amounts allowable in February were 2,000 tons of Group 5, 23 tons of Group 4, and 92 tons of Group 3.

I might add that the Canadian authorities decided in February that any shipments of asbestos permitted to Shanghai will in future be chargeable to the Japanese quota.

With regard to general control, it appears there is a considerable discrepancy between the Canadian provisions (which cover, of course, all grades of asbestos) and those of the United States. The Canadian Metals Controller considers it important that these should be brought more into line since at present our Japanese quota could be easily circumvented by re-export to Japan from the United States of all grades except the highest.

The Legation would like very much to work closely with your Division in the administration of our two countries' control over shipments of this commodity to Japan. We would therefore very much appreciate having word from you from time to time as to the policy of your Division with regard to granting of permits.

Yours sincerely,

M. M. MAHONEY

⁴⁴ Not printed; John D. Hickerson was secretary of the American section of the Permanent Joint Board on Defense, United States and Canada.

894.3311/683½

*The Secretary of the Navy (Knox) to the Secretary of State*Serial No. 06613
(SC) A4-5 (2)/EF37

WASHINGTON, April 3, 1941.

SIR: Reference is made to State Department letter dated March 31, 1941,⁴⁵ regarding a proposed visit of the Japanese Naval Transport *Kyokuto Maru* to San Francisco from April 5 to 8, 1941, for the purpose of obtaining fuel oil. In stating that the Navy Department has no objection to this visit, the Secretary of the Navy desires to call attention to the recent frequency of naval visits. Including an additional ship which has been reported confidentially, by the American Consul at Kobe, as enroute to Los Angeles, but regarding which no official request has yet been received, a total of twelve Japanese naval vessels will have obtained a cargo of oil from the United States within a period of six months, five of these within a period of sixty days.

Certain of the vessels now listed as naval vessels have made previous similar trips in their original status as commercial vessels. It appears more than probable that their current naval status has been devised to bestow upon them, and upon their obvious purposes, a degree of immunity which a commercial vessel could scarcely command.

It is suggested that the recent frequency of such visits is, to say the least, unusual; and a matter regarding which it is considered that some restrictive policy would be a timely precaution to prevent the abuse of international courtesy in a manner which appears contrary to the best interests of the United States.

Respectfully,

FRANK KNOX

894.24/1371½

*Memorandum Prepared in the Department of State*⁴⁶

[Extract]

[WASHINGTON,] April 4, 1941.

CONTROL OF GASOLINE EXPORTS TO JAPAN

Conclusions.

Gasoline is of primary importance at this time because of: (1) recent increased concentration of Japanese petroleum purchases on that product, especially from the United States (the decline in crude

⁴⁵ Not printed.⁴⁶ Drafted in the Division of Commercial Policy and Agreements and in the Office of the Adviser on International Economic Affairs.

exports to Japan in 1940 was offset by increased gasoline shipments); (2) the effect of the manner in which existing export restrictions on "aviation" gasoline are administered; and (3) the dangerous extent to which Japanese stocks of gasoline capable of being raised to aviation grade may continue to expand because of (1) and (2). Ample evidence before the officers of the Department substantiates the foregoing.

Japan is at present dependent almost entirely upon the United States for gasoline which can be raised to aviation grade. The amount of gasoline for which export licenses have been issued in recent months suggests the possibility, on the basis of past experience, that Japan is preparing for a new major military operation. (The possibility exists also that some of this gasoline may be reaching Germany by way of the U. S. S. R.)

Japanese statistics show gasoline imports of all types of about 4,300,000 barrels in 1936, which may perhaps be considered as a "normal" year. The present arrangements with producers in the N. E. I. provide for supplies to Japan at an annual rate almost equal to Japanese imports of gasoline from all sources in 1936. Any attempt to reduce total Japanese gasoline imports of all types to the 1936 level would thus involve almost complete cessation of exports from the United States or a scaling downward of the Batavia contracts, which does not appear feasible. In any case, it is apparently of greater importance that United States exports be curtailed, due to the higher quality of the gasoline involved. If the aim is to reduce to the 1936 level Japanese imports of aviation gasoline only, about 1,000,000 barrels of this type could still be exported from the United States—a figure which is slightly larger than 1937 exports and roughly twice the amount of the exports from the United States to Japan in each of the years 1938, 1939 and 1940.

The present discussion is concerned only with exports to Japan proper. The critical nature of the problem is intensified if consideration is given to gasoline exports to all areas under Japanese control.

If it is decided that immediate action should be taken by the United States (as a first step in a broader cooperative program with the British and Dutch Governments involving company control, tanker control, etc.) to limit Japanese imports of gasoline to the 1936 level, the following line would seem appropriate:

a) Immediate restrictions on shipments to Japan of gasoline at present permitted to be exported, to not more than 500,000 barrels per year. This would have the effect of reducing total Japanese gasoline imports to approximately 1936 levels, assuming no other substantial source of supply exists which cannot be controlled; or

b) Lowering of present octane rating of permitted exports of gasoline to Japan to a maximum of 70. This would not necessarily have

the effect of curtailing total Japanese imports as in (a) above, but would effectively eliminate exports to Japan of gasoline which could be raised to aviation grade.

Either of the foregoing, however, would reduce Japanese imports of aviation gasoline below the 1936 level. This would be the case if plan (a) were adopted even though all permitted exports from the United States were to consist of the grades labelled as "aviation gasoline"* in the 1936 export figures.

894.24/1388

The Chief of the Division of Controls (Green) to the Counselor of the Canadian Legation (Mahoney)

WASHINGTON, April 8, 1941.

MY DEAR MR. CHARGÉ D'AFFAIRES:⁴⁷ With reference to your letter of April 1, 1941, addressed to Mr. Hallett Johnson, I think that you will be interested to know that after April 18, 1941, asbestos, if chiefly of fibres of three-eighths of an inch or more in length, will be subject to export control. The result of this new requirement will undoubtedly be to make our policy match more closely with Canadian policy as regards the export of this commodity, and will, I believe, make it difficult to circumvent your asbestos quota for Japan by re-export to Japan from the United States of asbestos coming into this country from Canada.

Your desire to work closely with this Division in the administration of our two countries' control of shipment of asbestos to the Far East is appreciated and reciprocated.

I am [etc.]

JOSEPH C. GREEN

894.24/1853

Memorandum by the Assistant Chief of the Division of Controls (Yost)

[WASHINGTON,] April 9, 1941.

THE EXPORT OF PETROLEUM PRODUCTS TO JAPAN

Gasoline

Since the imposition on July 26, 1940 of restrictions on the export of certain petroleum products,⁴⁸ the Department has licensed about

*There are several possible definitions of "aviation" gasoline. This reference is to such gasoline as defined in Department of Commerce export statistics, that is, gasoline declared to be for aviation purposes. [Footnote in the original.]

⁴⁷Form of address apparently an error. The Canadian Minister had been received on March 14.

⁴⁸See *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 216 ff.

9,200,000 barrels of gasoline for export to Japan and has applications for 2 million additional barrels now pending. The amount already licensed represents more than twice the normal annual pre-war import of Japan *from all sources* and is nearly three times the quantity of gasoline which the United States exported to Japan in 1940, a most *abnormal year*.

Of this 9,200,000 barrels, approximately 4 million have already been exported and 5 million remain to be exported. The Department will, moreover, if new restrictions are not shortly imposed, be obliged to grant the pending applications for 2 million additional barrels. When these licenses are issued, Japan will be in a position to obtain in the United States this year 8 million barrels of gasoline (1 million already shipped plus 7 million authorized) in addition to about 4 million barrels which she will obtain from the Netherlands Indies under existing contracts, to say nothing of what might be licensed in this country during the remainder of the year. Her total import from these two sources would, therefore, be at least *three times* her normal pre-war import and more than twice her extraordinary 1940 import. Such a supply would obviously make her completely self-sufficient in gasoline for an indefinite period of time.

The public is to some degree under the impression, based on the President's statement of July 26 that no exports of aviation gasoline outside the Western Hemisphere would be permitted,⁴⁹ that gasoline of aviation quality can not go to Japan. This impression is wholly erroneous. Only the very high grade aviation gasoline used by our Army and Navy is under the export ban, and most of the 9,200,000 barrels referred to above is of satisfactory aviation quality or can be made so by a very simple process. In fact a large proportion of the license applications state quite frankly that the gasoline is intended for aviation use by the Japanese Army or Navy.

Lubricating Oil

The lubricating oils subject to license are only the high grades used by our Army and Navy air forces. The Japanese have been and are obtaining here, without having to obtain licenses, large supplies of lubricating oil which is either of satisfactory aviation quality or can be made so by a simple process. Exports to Japan in 1940 were more than twice usual pre-war quantities. Furthermore, reliable reports make it appear practically certain that substantial quantities of this oil are now being transhipped by the Japanese across Siberia to Germany.

⁴⁹ See also press release issued by the White House on July 31, 1940, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 218.

Other Petroleum Products

Exports to Japan in 1940 of other petroleum products (except petroleum greases) have not been substantially in excess of usual pre-war quantities. New trends in this field, however, arise very suddenly. For example, the British have recently been most alarmed over exports of diesel oil to both Japan and Thailand, in the former case because they fear the oil may be transhipped to Germany for submarine use, in the latter case because they fear it may be used by the Japanese in an attack on Singapore or by German raiders in the Pacific.

Crude oil exports to Japan in 1940 were actually less than in recent years, but on the other hand the Department has since July 26 licensed approximately 22 million barrels of crude for export to Japan. This quantity, of which some three-fourths remains unshipped, is greater than the amount Japan has obtained from the United States in any year of the Sino-Japanese War. It should be noted, moreover, that Japan can and is concentrating her purchasing on those high grade crudes from which high percentages of aviation gas can be easily obtained.

Recommendations

In the belief that in these circumstances prompt action is necessary, the following recommendations are made. The proposed time table is based on the desire of PA/H⁵⁰ and FE to delay most of the suggested steps until Mr. Matsuoka⁵¹ has returned to Tokyo and until the Batavia contract has been renewed.

1. Request General Maxwell⁵² *at once* to furnish the Department with a new and more comprehensive definition of the aviation gasoline the export of which outside the Western Hemisphere and the British Empire* shall be prohibited. (This definition shall include all gasolines susceptible of aviation use and shall exclude ordinary motor gasoline. The dividing line shall presumably be about 65 octane number without lead and 80 when lead has been added.) On the receipt of this definition inform all holders of valid licenses for exports outside the Western Hemisphere and the British Empire to turn in these licenses and submit new applications stating whether or not the gasoline which it is proposed to export falls under the new definition of aviation gas. If it does, no new license will be issued.

⁵⁰ Office of the Adviser on Political Relations (Hornbeck).

⁵¹ Yosuke Matsuoka, Japanese Minister for Foreign Affairs, who was in Europe.

⁵² Gen. Russell L. Maxwell, U. S. A., Administrator of Export Control.

*Note: Where reference is made herein to restrictions on exports outside the Western Hemisphere and the British Empire, it is understood that exceptions shall be made for countries resisting aggression. [Footnote in the original.]

No announcement of policy will, however, be made at this time, and no action on the new applications will be taken until the further steps outlined below are announced.

2. At a convenient moment after the receipt of these new applications, presumably at the end of April, announcement will be made that gasoline not falling within the new definition of aviation gas will be licensed in usual or pre-war quantities. It shall be made clear that during the remaining two-thirds of 1941 shipment of two-thirds of the pre-war export of motor gas will be authorized. The base period will be the average of the years 1935-39 inclusive.

3. General Maxwell shall be requested *at once* to redefine on April 15 the aviation lubricating oil which is subject to license. This redefinition shall extend the scope of the restriction by dropping the viscosity index of the restricted oil from 85 to 60 or 65. Any outstanding licenses authorizing the export of such oils outside the Western Hemisphere and the British Empire shall be revoked and the holders asked to submit new applications. At the end of April announcement will be made that oils falling outside the new definition will be licensed for export outside the Western Hemisphere and the British Empire in usual or pre-war amounts. The same procedure will be followed in granting applications as in the case of gasoline.

4. General Maxwell shall be requested to place all petroleum products under export licensing control and announcement of this step shall be made at the end of April.

5. When diesel oil is subjected to the licensing requirement, its export outside the Western Hemisphere and the British Empire shall be limited to usual pre-war quantities. The same procedure will be followed in granting applications as in the case of gasoline.

6. The export of other petroleum products shall be licensed freely for the moment, but the question of limiting exports of petroleum greases and high grade crudes should be given immediate study.

7. This whole program, as soon as it has been approved, shall be discussed with the British.

CHARLES W. YOST

811.20 (D) Regulations/1353 : Telegram

The Secretary of State to the Consul General at Shanghai (Lochhart)

WASHINGTON, April 17, 1941—8 p. m.

249. With reference to your despatch no. 253, February 11,⁵⁸ and to representations made by American Chamber of Commerce, Shang-

⁵⁸ Not printed.

hai, the Department directs that you assign a member of your staff the duty of studying the question of proposed shipments from the United States of commodities intended for the use of reliable firms in Shanghai for their pressing needs. You may suggest to such firms that they inform you when applications for export licenses are submitted in this country for the export to them of merchandise. They should also give you information for transmission to the Department as to the name of applicant in United States, date of application, and amount and exact description of commodity. The interested firms should also be told that they have the full burden of establishing the use to which a given commodity is to be put. You will then inform the Department by despatch or by cable at the firm's expense your opinion as to the trustworthiness of the firm in question and whether the use to which the commodity is to be put would be in the interests of the United States. Licenses will be granted for the shipments which you recommend if the exportable surplus of the commodity in question is available.

Please make any constructive suggestions you care to in this connection and keep Department informed as to how plan outlined above works out.

HULL

711.94/2113

Memorandum of Conversation, by Mr. Frank A. Schuler, Jr., of the Division of Far Eastern Affairs ⁵⁴

[WASHINGTON,] April 18, 1941.

Mr. Hellman ⁵⁵ was received by Mr. Schuler at the request of Mr. Hornbeck's office. Mr. Hellman stated that he had called at the Department about a year and a half ago ⁵⁶ and had discussed with Mr. Hornbeck and other officials of the Department the question of extending credits to American companies doing business with Japan. Mr. Hellman asked whether there had been any change in the situation. To his own way of thinking, the situation had become acute, particularly since the signing of the Russo-Japanese neutrality pact.⁵⁷ Mr. Schuler stated that there had been no change in the policy of the United States Government toward Japan, that with respect to the

⁵⁴ Initialed by the Chief of the Division (Hamilton).

⁵⁵ F. J. Hellman, Vice President of Wells Fargo Bank and Trust Company, San Francisco.

⁵⁶ See memorandum by the Assistant Chief of the Division of Far Eastern Affairs, September 18, 1939, *Foreign Relations*, 1939, vol. III, p. 545.

⁵⁷ See telegram No. 763, April 13, 11 p. m., from the Ambassador in the Soviet Union, p. 944.

Russo-Japanese neutrality pact Mr. Hellman would no doubt recall the Secretary's statement of April 14 ⁵⁸ in which he said among other things that the significance of the Russo-Japanese pact could be overestimated; that the agreement would seem to be descriptive of a situation which had already existed for some time; and that it came as no surprise to this Government. Mr. Hellman declared that the bank had requests from time to time from Japanese banks for the extension of credit facilities, but that it had as a general rule refused to extend any credit. He said that his bank was extending short-term credits to American exporters to Japan on a limited number of commodities and was particularly interested in knowing whether the Department contemplated any embargoes on exports to Japan.

With respect to the first point Mr. Hellman was told in reply, that while there was no law or regulation which prohibited or restricted American banks in the matter of loans or credits to Japan, the Department had, when approached by American business men on this question, as Mr. Hellman was undoubtedly already aware, expressed the hope that American business would be guided by consideration of the effect upon American interests in general in the Far East of the granting of such credits, looking at the question from a long-range point of view, and having in mind Japanese policies and actions. Mr. Schuler added that it was the Department's understanding that there was a general tendency to shorten the terms of any such credits both here and abroad and that such tendency was in line with the attitude which the Department hoped would be followed by American business men and bankers.

With respect to the second point Mr. Schuler stated that he was not aware of any steps being taken at the present to place an embargo on exports to Japan. He wished to point out at the same time that with the intensification of this country's efforts toward national defense it was obvious that more and more commodities which were normally exported abroad would be needed for ourselves; moreover, that pledged as we are to give every aid to the democracies,⁵⁹ many of the commodities which would normally enter our export trade with Japan might conceivably be needed in other directions.

Mr. Hellman declared that he was in full accord with the Government's foreign policy; that until about a year ago certain aspects of American foreign policy, particularly in regard to Japan, had not been entirely clear to him, but that since Japan had joined the Axis he had realized that any aid that we might extend to Japan meant aid to Germany.

⁵⁸ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 186.

⁵⁹ For the Lend-Lease Act approved March 11, 1941, see 55 Stat. 31.

Mr. Hellman concluded with the statement that he thought that all exports would eventually have to come under Government control, to which Mr. Schuler made no comment.

811.20 Defense (M)/1996

*The Commercial Attaché in Japan (Williams) to the Ambassador in Japan (Grew)*⁶⁰

[Tokyo,] April 21, 1941.

On April 21st, at the special request of Mr. T. Horiguchi of the Ministry of Finance, I attended another meeting⁶¹ at the Ministry in connection with the tungsten matter—at the meeting the following were present:—

Mr. Horiguchi, Chief of the Foreign Exchange Control Bureau,
 Ministry of Finance
 Lt. Gen. Ryukichi Tanaka; two other Army Officers
 Mr. Madokoro and an associate, of the Nishikawa Company
 Mr. F. S. Williams, Commercial Attaché, and
 Mr. John K. Emmerson, Secretary of Embassy, as interpreter

Inasmuch as Mr. Emmerson acted as interpreter and most of the conversation was in the Japanese language, I asked Mr. Emmerson to prepare a memorandum covering these conversations. His memorandum follows:—

Mr. Horiguchi first summarized the discussion at the previous conference participated in by Mr. Williams and representatives of the Army. He stated that the Japanese Government in considering the granting of a permit for the exportation of 1,000 tons of tungsten to the United States desired to obtain from the State Department some indication of the attitude of the American Government toward the granting of permits for exports of such articles as cobalt, nickel, high octane gasoline, etc. Mr. Emmerson explained in Japanese the substance of the memorandum prepared by Mr. Williams,⁶² stating in effect that the United States Government was not prepared to enter into a discussion regarding any barter arrangements involving Japanese exports of tungsten and American exports of nickel, cobalt and other commodities placed under the licensing system. The American Government regarded the contract entered into by Nishikawa and the American concern as purely a commercial transaction.

⁶⁰ Copy transmitted to the Department by the Ambassador in covering despatch No. 5550, April 25; received May 16.

⁶¹ Minutes of previous meeting not printed.

⁶² Not printed.

Mr. Horiguchi then stated that he had no intention of suggesting any sort of political agreement between the two nations of the nature, for example, of the recent loan agreement made between Chiang Kai-shek's⁶³ Government and the United States. He desired to treat the case of Nishikawa's export of 1,000 tons of tungsten as a purely commercial transaction. However, since the export of tungsten required the permission of the Japanese Government, before making a decision on this particular case the Government wished to know as a matter of reference what general attitude would be taken by the American Government toward the export of commodities to Japan which are under the licensing system. If an expression from the State Department regarding such a general policy could be obtained it would be helpful, he stated, in enabling Japanese Government to arrive at a decision regarding the granting of export permits such as in the case of the tungsten.

Mr. Williams stated that it would be very difficult for the American Government to give any indication of a general policy in such matters since permits for exports of commodities placed under the license system must, of course, be granted or refused on the merits of each individual case. In deciding each case the Government must of necessity take into consideration the matter of supply and demand, transportation facilities and other conditions which vary from time to time. Therefore, he was convinced that the United States Government would not give any expression of a general policy which might apply to the export of these commodities considered essential to national defense.

Mr. Horiguchi stated that he understood this attitude. He wondered whether a "test case" might be made in which a Japanese firm would apply for a permit for the export of certain commodities to Japan. It was explained to Mr. Horiguchi that "test case" was not an accurate term since a decision granted in one instance would have no influence or bearing upon a decision granted some other time since conditions might be completely different. The Army officials and representatives of Nishikawa agreed that they understood this point and the Army officials suggested to the Nishikawa representative that it might be advisable to make application for a permit to export some of these licensed commodities from the United States. Lt. Gen. Tanaka then launched into a discussion of China's tungsten resources. He wished Mr. Williams to be assured first, that the 1,000 tons in question were actually in existence and available for shipment. He stated that before the China Incident⁶⁴ China had furnished 80 per cent of the world's supply of tungsten and that considerable quantities were

⁶³ Generalissimo Chiang, President of the Chinese Executive Yuan (Premier).

⁶⁴ July 7, 1937, date of Marco Polo bridge clash outside Peiping.

now available for export. Large resources were available in Kiangsi Province and the ore was being assembled by Chinese coolie labor. There are considerable supplies both in Shanghai and Canton. He stated that the annual production of tungsten had been 60,000 tons. Japan, he said, does not need large quantities of tungsten at the present time and for this reason it is available for export. Mr. Williams was questioned as to whether America was not buying large supplies of tungsten at the present time. He replied that the United States was buying tungsten.

During the discussion Mr. Horiguchi admitted that there had been a misunderstanding regarding the necessity for obtaining a Government permit for the shipment of 1,000 tons and that the American company had not been informed of the necessity for such a permit. He concluded by reiterating the understanding that transactions in these commodities would be on a purely commercial basis and that Japan would have the right to grant or refuse permits just as the American Government possessed the right in regard to licensed commodities. He stated that the Japanese Government was still considering the matter of granting a permit for the export of the 1,000 tons in question.

FRANK S. WILLIAMS

741.94/497

The Ambassador in Japan (Grew) to the Secretary of State

No. 5544

TOKYO, April 25, 1941.

[Received May 16.]

SIR: I have the honor to transmit herewith a copy of a document entitled "Substances of Telegram to the Foreign Office dated April 11, 1941" which was furnished us by the British Embassy on April 14, 1941.⁶⁵

The telegram referred to was sent by the British Ambassador⁶⁶ to the Foreign Office at London and describes an interview between himself and the Japanese Vice Minister for Foreign Affairs, Mr. Ohashi, during the course of which Sir Robert commented upon Mr. Ohashi's recent speech before the conference of prefectural governors on April 10. (See Embassy's telegram no. 537, April 10, 1941⁶⁷)

Sir Robert expressed appreciation of the Vice Minister's reference to the need for more courtesy to foreigners and especially his exhortation to the police authorities; Sir Robert was less enthusiastic about certain other passages in the speech, notably the reference to economic

⁶⁵ Not printed.

⁶⁶ Sir Robert L. Craigie.

⁶⁷ *Ante*, p. 140.

pressure which the Vice Minister stated was being exerted upon Japan by Great Britain and the United States, and repeated his denial that such pressure existed designed primarily to interfere with Japan's normal and legitimate peacetime industries. Sir Robert explained that the object of the economic restrictions was threefold: (a) conservation of vital war supplies; (b) prevention of contraband articles reaching Britain's enemies; and (c) certain measures necessary for purely security purposes.

The Vice Minister replied that many of the British economic measures were not explainable on any of the grounds outlined by Sir Robert and that there was a general feeling throughout Japan that it was the deliberate intention of Great Britain and the United States so to hamper Japanese industry that it could not even engage in the normal export of goods to neutral markets.

It was agreed that the discussion should continue on some future occasion.

Respectfully yours,

JOSEPH C. GREW

894.24/1428½

The Secretary of Commerce (Jones) to the Secretary of State

WASHINGTON, May 7, 1941.

DEAR MR. SECRETARY: Our reports show that for the last six months exports from the United States to Japan of petroleum products, including crude petroleum, gasoline, naphtha, kerosene, lubricating oil, and fuel oil, were as follows:

October	1, 732, 456 bbls.
November . . .	2, 909, 214 bbls.
December . . .	1, 744, 308 bbls.
January	1, 666, 855 bbls.
February . . .	1, 339, 113 bbls.
March	1, 433, 535 bbls.

Apparently, all of these shipments were outside the export license controls which, up to the present moment, appear to cover only aviation gas of a high octane content or capable of being transformed into aviation gas of high octane content.

The following report of the President's press conference of May 2nd may be of interest in this connection:

"In reply to a question on persistent reports of U. S. shipments of oil and gasoline to Japan, the President cautioned that the shipments so made were of types not banned by existing licensing or embargo

laws. Commerce and State Department figures, he said, showed that the gasoline shipped to Japan was not classified as 'aviation' gasoline, having a lower octane rating."

Sincerely yours,

JESSE H. JONES

811.20 (D) Regulations/2177: Telegram

The Consul at Hong Kong (Bruins) to the Secretary of State

HONG KONG, May 10, 1941—1 p. m.

[Received 2:19 p. m.]

172. Importation into Hong Kong of various goods including dyes, metals, ores, machine tools, chemicals and drugs from the United States now required by local authorities to have a declaration to the effect that the goods are required solely for use in Hong Kong; such declaration if approved will be countersigned at the office of the Controller of Trade, Hong Kong, thus permitting importation into this colony. Foregoing is the substance of a notification published in Hong Kong Government *Gazette* of May 9th effective immediately. List follows by mail.⁶⁸

Authorities concerned inform this office that above is their method of assisting enforcement of American export restrictions, Hong Kong having recently been used by some commercial interests as a point to which American export licenses could be easily obtained and from where transshipment could occur to points such as Shanghai or Indo-china as illustrated by this office's confidential despatches 841 of February 27 and 870 of March 25, 1941.⁶⁹

Sent to Department. Repeated to Shanghai.

BRUINS

894.24/1379

Vice President Wallace to the Secretary of State

WASHINGTON, May 10, 1941.

DEAR SECRETARY HULL: Enclosed is a letter⁶⁸ on a subject about which I have been quite disturbed myself for some time. I notice that we are still sending considerable quantities of valuable materials to Japan, especially oil, and I can't help wondering if there is not some probability that these materials may be used against us, if events should take a certain turn. It seems to me that at the earliest

⁶⁸ Not printed.

⁶⁹ Neither printed.

possible opportunity we should choke off the flow of goods from the United States to Japan.

I understand that the Dutch East Indies are going to furnish oil to Japan, but I do not see that that is any reason why we should do so. Can't we use our priorities power to do the job diplomatically and yet fairly quickly?

Sincerely yours,

H. A. WALLACE

P. S. I know you have been doing a masterful job on this Japanese problem but it seems to me the time is ripening fast now for more complete action in shutting off exports to Japan.⁷¹

894.3311/688

The Secretary of State to the Japanese Ambassador (Nomura)

The Secretary of State presents his compliments to His Excellency the Japanese Ambassador and has the honor to refer to his note no. 111 dated April 21, 1941,⁷² stating that the Japanese naval transport *Erimo* due to a misunderstanding proceeded to San Francisco instead of to Los Angeles for the purpose of taking on crude petroleum.

The interested Federal authorities were informed of the change in ports and the usual courtesies and facilities were ordered extended to the vessel.

The attention of the Ambassador is invited to the fact that the *Erimo* arrived in San Francisco on April 21 in advance of schedule, before approval had been expressed for it to visit any American port.

Because of the frequency and short notice of visits of Japanese naval transports to American ports in recent months, it is desired that the Japanese Government present as soon as practicable an approximate schedule of the proposed visits during the next six months in order that it may be given consideration by this Government. However, this tentative schedule should not be construed as a blanket request for permission for the proposed visits, as the usual request for permission to visit should be submitted in each individual case about three weeks prior to the time of arrival of the vessel at an American port.

WASHINGTON, May 17, 1941.

⁷¹ In acknowledging Vice President Wallace's letter, the Secretary of State on May 20 wrote: "I appreciate what you say about this, and you know that the matter has been and continues to be very much on our minds here. I shall be glad to talk with you about this the next time I see you."

⁷² Not printed.

894.24/1409 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, May 31, 1941—7 p. m.

307. Your 723, May 23, 6 p. m.⁷³ On May 20, Congressman Weiss introduced four bills and resolutions in the House of Representatives as follows: a bill (H. R. 4824) to prohibit the clearance of any ship or vessel when carrying a cargo of petroleum or petroleum products from any port of the United States to any port of Japan or any of its possessions (which was referred to the Committee on the Merchant Marine and Fisheries); a bill (H. R. 4825) to prohibit the exportation of petroleum or petroleum products except under license from the Secretary of Commerce (referred to the Committee on Inter-state and Foreign Commerce); a concurrent resolution (37) that it is the sense of the Congress that no further shipment of petroleum and petroleum products from the United States to Japan should be permitted, and that the President should immediately issue appropriate orders under section 6 of the Act of July 2, 1940⁷⁴ to prohibit any further shipment of petroleum or petroleum products to Japan or its possessions (referred to Committee on Military Affairs); and a joint resolution (189) that whenever the President shall issue a proclamation under the Act of July 2, 1940 prohibiting or curtailing the exportation of any military equipment or munitions or component parts thereof, the exportation of petroleum or petroleum products to Japan shall be deemed subject to the prohibitions or curtailments imposed on the enumerated articles (referred to the Committee on Military Affairs). On May 5 Senator Gillette submitted concurrent resolution (10) in the Senate to create a special joint congressional committee to investigate the obtaining of essential war materials from the Western Hemisphere by the Axis powers; on May 23 this resolution was reported by the Committee on Commerce without amendment and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

HULL

894.3311/719a

*The Assistant Chief of the Division of Far Eastern Affairs (Adams)
to the Counselor of the Japanese Embassy (Iguchi)*

WASHINGTON, June 9, 1941.

MY DEAR MR. IGUCHI: I address this personal letter to you in accordance with your request that I confirm to you in writing the statements which I made to you by telephone on June 2:

⁷³ Not printed.⁷⁴ 54 Stat. 712.

The Department has made note of the information supplied by the Japanese Embassy in a memorandum dated May 28, 1941,⁷⁵ that Japanese naval special transports are requisitioned vessels and that the ranking officer of the Japanese Navy on board is not the captain of the vessel but is described as an inspecting naval officer. American ports are frequently visited by ships requisitioned by various governments, and it is not the practice of the American Government to accord the courtesies and facilities of public vessels to such ships (nor have such courtesies and facilities been requested by these governments), except in the event that such requisitioned ships should be fully manned by naval crews. The according of public vessel courtesies and facilities to Japanese naval special transports would therefore affect the treatment to be accorded to requisitioned ships of a number of nationalities, and this Government is not disposed at the present time to revise its practice in this regard. This Government is consequently unable to accord the status of public vessels to Japanese naval special transports as described in the Japanese Embassy's memorandum of May 28, 1941. Because of the presence of some naval personnel aboard such vessels, the Department would appreciate receiving from the Japanese Embassy advance information with regard to visits of Japanese naval special transports, together with a list of the naval personnel on board.

Sincerely yours,

WALTER A. ADAMS

811.20 (D) Regulations/2961

*The Petroleum Coordinator for National Defense (Ickes) to the Administrator of Export Control (Maxwell)*⁷⁶

WASHINGTON, June 11, 1941.

MY DEAR GENERAL MAXWELL: The magnitude of recent shipments of petroleum products from the United States to Japan makes it necessary for me to direct your attention to the desirability of securing cooperation between your office and mine in petroleum problems. The President's letter of May 26, in which he designated me as Petroleum Coordinator for National Defense, was directed in part to the subject of having all agencies of the Government work toward a common objective.

Information obtained from the Office of Merchant Ship Control, Treasury Department, shows that 826,283 barrels of petroleum, an average of 118,040 barrels per day, were shipped to Japan from United States ports during the week ended May 31. From the same source,

⁷⁵ Not printed.

⁷⁶ Copy transmitted to the Department on June 14.

it has been learned that 4,654,029 barrels of petroleum were shipped from the United States to Japan in the eleven weeks between March 15 and May 31. This quantity exceeds by nearly a million barrels the 3,750,817 barrels shipped to Japan during the eight and one-half months from July 1, 1940, to March 15, 1941, as reported by you on March 31 to the subcommittee of the Committee on Appropriations of the House of Representatives. It may be important to note that the shipments of the past eleven weeks included 1,397,024 barrels of blended or California high octane crude from which by commercial distillation there can be separated more than 3 per cent of aviation motor fuel.

During your appearance before the Committee you stated that your office, serving directly under the President as Commander-in-Chief of the Army and Navy, issues instructions which are given to the Department of State, under which applications for export license are cleared. It was further stated that a license once granted is good for a year, although it may be revoked at any time.

As Petroleum Coordinator for National Defense, I would like to receive from your office complete information as to all export licenses which have been approved covering petroleum shipments to Japan, the quantities and grades of petroleum and petroleum products which have been shipped thereunder; the quantities and grades remaining unshipped under each such license; and the remaining effective time under which shipments may be made under approved license. I would like to receive this information as promptly as possible, as I am recommending to the Secretary of State that no additional licenses covering petroleum shipments to Japan be approved until I have received this information and have had an adequate opportunity to study it.

Sincerely yours,

HAROLD L. ICKES

811B.20 (D) Regulations/97

The Japanese Embassy to the Department of State

MEMORANDUM

The Japanese Embassy is in receipt of a communication from the Japanese Consulate General at Manila to the following effect:

In spite of the inauguration of the export license system in the Philippines affecting, among other things, higher grade hemp, copper, chromium and manganese ores, scrap iron, etc., etc., it has been confidently expected by the Japanese exporting firms at Manila that applications for export of these articles would be accepted for the most part in accordance with the statement of the High Commissioner and other officials concerned, that under the system normal trade would not be allowed to suffer. But actually permits for the

exportation of these articles—even of iron ore for which permit has been hitherto freely granted—are now withheld, and it is greatly feared that a severe blow will be dealt the normal trade between Japan and the Philippines.

Frequent negotiations between the Japanese Consulate General and the office of the High Commissioner have produced no result, many permits having been refused on the grounds that they cannot be issued without an order from the home government or that equitable quotas for various exporting firms are yet to be fixed.

This Embassy requests the Department of State to be good enough to see that necessary instructions are issued for the removal of such obstacles to normal trade as soon as possible and that in the cases where time is required for establishing specific rules there is made a temporary arrangement covering the coming month or two for facilitating the exportation of these articles in adequate quantities.

This Embassy is also informed that there is at present 1,850 tons of scrap iron at Manila and 8,000 tons at Ilo-ilo which has been put on lighters and is waiting for permit. In both cases customs permit for loading had been obtained prior to the enforcement of the export license system. Especially, at Manila, a ship had arrived to take the ore, but the loading was being delayed owing to undue interferences by the military police until it had been rendered impossible with the coming into force of the export license system.

In consideration of these circumstances and also of the increasing losses accruing from keeping the ore on lighters, this Embassy requests that as regards the iron ore in question special permission, apart from the general policy or rules, be granted for an early shipment.

[WASHINGTON,] June 13, 1941.

894.24/1404

*The Secretary of State to the Chairman of the Committee on Merchant Marine and Fisheries of the House of Representatives (Bland)*⁷⁷

WASHINGTON, June 18, 1941.

MY DEAR MR. BLAND: I refer to your letter of May 21, 1941, and to my preliminary reply thereto of May 26, 1941,⁷⁸ in regard to HR 4824, a bill: "To prohibit the clearance of any ship or vessel when carrying a cargo of petroleum or petroleum products from any port of the United States to any port of Japan or any of its possessions."

⁷⁷ Notation by the Under Secretary of State (Welles) on June 17: "The President this morning approved this letter."

⁷⁸ Neither printed.

From the standpoint of foreign policy, I do not favor the passage of this proposed legislation. Section 6 of Public, no. 703, 76th Congress, approved July 2, 1940,⁷⁹ provides that: "Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material, or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe." The Government has full authority under this provision of law to restrict or prohibit the exportation of petroleum and petroleum products to any and all areas throughout the world, and I do not believe that it is either necessary or desirable to resort to the device of refusing ships' clearance in order to prevent the exportation of petroleum and petroleum products to Japan.

Sincerely yours,

CORDELL HULL

894.24/1453

The Japanese Embassy to the Department of State

MEMORANDUM

On June 16 at Philadelphia the loading of lubricating oil on a Japanese freighter, the *Azuma Maru*, was suddenly halted at the request of the Petroleum Coordinator for National Defense. Since the oil in question, which was purchased by Asano Bussan Kaisha, is of a low grade requiring no license, the shipment is entirely within the law. It is reported that all future shipments of oil from the eastern seaboard will be stopped under a new general order, which would entail considerable losses on the part of business firms, both American and Japanese, engaged in bona fide trade.

This Embassy requests the Department of State to use its good offices in the interests of the friendly relations as well as of the trade between Japan and the United States so that:

1. Special consideration will be given by the authorities concerned to the aforesaid shipment of oil and also to other consignments of oil for which contracts have been concluded and shipping arrangements completed before June 16;

2. Adequate steps will be taken in the future to prevent the recurrence of similar cases and to insure a smooth movement of trade between the United States and Japan.

[WASHINGTON,] June 18, 1941.

⁷⁹ 54 Stat. 712, 714.

811.20 (D) Regulations/3066

*Memorandum by the Assistant Chief of the Division of Controls
(Price) to the Administrator of Export Control (Maxwell)*

[WASHINGTON,] June 21, 1941.

THE ADMINISTRATOR OF EXPORT CONTROL: With reference to your telephoned inquiry to the Division of Controls on Friday June 20, no applications for licenses to export petroleum products to Japan, Japanese-occupied China, or Thailand, have been acted upon by the Division of Control since April 8, 1941. The tabulation set forth below represents the applications which have been received during the period April 8 to date and action upon which has been withheld pending the determination of certain questions of foreign policy.

JAPAN (37 applications)

Crude Oil	90,000 tons	\$ 931,772
Lubricating Oil	4,232,485 gals.	827,962
Gasoline	93,210,000 "	6,834,000

CHINA (26 applications)

Lubricating Oil	694,183 gals.	\$ 929,566
Lubricating Grease	8,000 lbs.	227
Gasoline	52,275,000 gals.	2,278,850

THAILAND (6 applications)

Lubricating Oil	176,988 gals.	60,771
Kerosene	3,000,000 "	135,000

No applications for licenses to export articles and materials to Japan, Japanese-occupied China, or Thailand, other than those referred to above are being held without action in the Division of Controls. Such applications as have been received during the passed three months, for license to export machine tools to Japan have been rejected in accordance with applicable directives issued by you. However, according to the records of the Division of Controls several applications of this latter character are now pending in your office. A summary of these applications is attached.⁸⁰ LEONARD H. PRICE

811.20 (D) Regulations/3950

The Consul General at Shanghai (Lockhart) to the Secretary of State

[Extract]

No. 581

SHANGHAI, June 23, 1941.

[Received August 4.]

SIR:

Summary: Many requests are being received by this Consulate General for assistance in securing export licenses. As there is a tempta-

⁸⁰ Not printed.

tion to ask for greater quantities of goods than actually required, to hoard goods rather than put them into production, or to sell at high prevailing prices rather than to process into finished goods, it is difficult to determine the legitimacy of requests. Shanghai has served as a supply base for Germany, Japan, Soviet Russia and for yen-bloc areas such as Manchuria. German demand will now be absent in view of the Russo-German hostilities, which have cut off the forwarding route via Siberia. Japan will remain a taker from the Shanghai market. It is virtually impossible to control the ultimate destination of goods once they get into the open market. The maintenance of a *status quo* at Shanghai in goods and in exchange is undeniably of aid to Japan but preserves the American, British and loyal Chinese vested position built up over many decades, and possibly staves off more aggressiveness on Japan's part with regard to the concentration of wealth in the Settlement. Certain British firms seeking American materials have functioned in a highly opportunistic way in adjusting themselves to the Japanese occupation of this region. Export licensing is closely related to the subject of currency stabilization, with America the chief source of Shanghai's exchange resources whether derived from an exchange stabilization fund or from the open market. This Consulate General is refraining from recommending export licenses in cases where there appears a likelihood of the goods passing into Japanese or other undesired hands or where hoarding or war profiteering motives appear to be behind the requests.

Respectfully yours,

FRANK P. LOCKHART

811B.20 (D) Regulations/97

The Department of State to the Japanese Embassy

MEMORANDUM

The Department of State has received the Japanese Embassy's memorandum dated June 13, 1941 in relation to the exportation from the Philippine Islands to Japan of certain articles and materials subject to licensing requirement.

With reference to the specific commodities mentioned therein, the Embassy is informed that Manila fiber of the so-called rope grades, copper, chromium and manganese ores and scrap iron are materials required for the national defense, a consideration which is deemed to be of controlling importance in determining their availability for export to foreign destinations.

On the other hand, while it is possible that there may have been certain unavoidable delays incidental to the inauguration of the system of export control in the Philippine Islands, the Embassy should

note that the regulations that have been issued do not impose restrictions upon the issuance of licenses to export iron ore from the Commonwealth to any destination.

WASHINGTON, July 1, 1941.

894.24/1450

The Acting Secretary of State to the Director of the Bureau of the Budget (Smith)

WASHINGTON, July 3, 1941.

MY DEAR MR. SMITH: The receipt is acknowledged of Mr. Bailey's⁸¹ letter of June 18, 1941,⁸² in which you request my opinion relative to H. J. Res. 189, a resolution "Requesting the President of the United States of America to exercise the powers vested in him under section 6 of Public, Numbered 703, Seventy-sixth Congress, to the end that no further shipments of petroleum or petroleum products shall be made to Japan, and for other purposes". You enclose a copy of a report⁸² which the Secretary of War proposes to submit to the Chairman of the House Committee on Military Affairs in regard to this matter. It is noted that the War Department does not favor enactment of this proposed legislation.

From the standpoint of foreign policy, I urge most strongly that the proposed legislation not be enacted. I entirely concur in the reasons set forth in the report which the Secretary of War proposes to submit to the House Committee on Military Affairs.

Sincerely yours,

SUMNER WELLES

894.24/1453

The Department of State to the Japanese Embassy

MEMORANDUM

With reference to the memorandum of the Japanese Embassy dated June 18, 1941, in regard to shipments of petroleum products from the Atlantic Coast of the United States, it may be stated for the information of the Embassy that a recent comprehensive survey of petroleum products in the Eastern part of this country by the Petroleum Coordinator for National Defense disclosed a threatened critical shortage of petroleum products in the area referred to. This fact was brought to the attention of the Department of State by the Petroleum Coordinator, and it was found to be necessary to impose restrictions upon exports of petroleum products from the Eastern seaboard in order to meet that threatened shortage.

WASHINGTON, July 10, 1941.

⁸¹ F. J. Bailey, Assistant Director of the Bureau.

⁸² Not printed.

894.24/1580

*The British Minister (Hall) to the Assistant Secretary of State
(Acheson)*

WASHINGTON, July 10, 1941.

DEAR ACHESON: You were kind enough yesterday to think that my suggestion that some of your officers and ours might examine the problem of oil supplies for Japan was worth further consideration with a view to action. My idea was that perhaps two, or at the most three a side might be asked to examine:

1. Estimates of Japan's stocks and requirements of oil
2. The effect on her current supplies of the withdrawal of non-Japanese tankers
3. The possible implications of ships warrants and bunker control in reducing by means of indirect pressure supplies of petroleum products reaching Japan.

You referred to Mr. Thornburg,⁸³ and by a coincidence I met him at dinner the night after our talk. He lunched with me today to meet Mr. Wyndham-White, who knows a good deal about policy with regard to tankers. I told him of our conversation.

I am very anxious that we should keep our administrative arrangements closely in step with one another, and if you agree to go forward with the suggestion I have made, we will be happy to collaborate in any practical way.

Yours sincerely,

NOEL F. HALL

894.24/1513

*Memorandum by the Assistant Chief of the Division of Far Eastern
Affairs (Adams)*⁸⁴

[WASHINGTON,] July 12, 1941.

Reference attached memorandum of conversation⁸⁵ between Mr. A. G. May of the Standard-Vacuum Oil Company and Mr. Hamilton and Mr. Adams.

It is suggested that an officer of FE be authorized to telephone to Mr. May, with charges reversed, along lines as follows:

The problem mentioned by Mr. May in regard to supplying Japanese forces in China with gasoline of not more than 86 octane rating from the Dutch East Indies or from other sources outside the United States does not come within the category of transactions prohibited by American law or regulation. It is understood from conversation which Mr. May had with Mr. Hamilton and Mr. Adams that the

⁸³ Max W. Thornburg, Special Assistant to the Under Secretary of State.

⁸⁴ Initialed by the Chief of the Division (Hamilton).

⁸⁵ Not printed.

Standard-Vacuum Oil Company is inclined to lean toward decision not to supply the aviation gasoline requested by the Japanese forces in China. If the Standard-Vacuum Oil Company should, having in mind all considerations affecting the conduct of its business in the Far East, decide not to undertake to supply the gasoline requested by the Japanese forces the Government of the United States would be well content with that decision. The Department of State appreciates very much the spirit of cordial cooperation which the Standard-Vacuum Oil Company has displayed in placing the question before the Department of State.⁸⁶

740.0011 Pacific War/272½

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] July 14, 1941.

The British Ambassador called to see me this morning at his request.

Lord Halifax took up first the possible steps which might be taken by Great Britain of an economic or financial character in the event that Japan undertook some overt action in the nature of extending her military and naval control over additional territories in the Far East. The possibilities contemplated are set forth in the memorandum attached herewith.⁸⁷

The Ambassador inquired whether I did not believe that in the event this Government were obliged to take action of that character, as had been discussed between the Ambassador and myself in confidential interviews,⁸⁸ such action by the United States might not be kept quiet and not publicized. I said that I felt that for practical reasons this was impossible in view of the fact that any steps of this character had to be made immediately available to the trade and to private individuals interested in this country, and the public obviously would get the news at once.

The Ambassador said that he wanted then to suggest that there be some discussions between the two Governments as to the measures which might be taken by us for the purpose of correlating them. I said that I was willing to agree to this provided it were clearly understood that such conversations were purely informal and exploratory and that they would be kept entirely confidential. I said that it therefore seemed to me that such discussions should be centralized in the hands of high officials in whom both Governments had complete

⁸⁶ Notation by Mr. Adams: "Above information telephoned to Mr. A. G. May on July 15, 1941."

⁸⁷ *Infra.*

⁸⁸ Pencil notation on original: "no record"; but see memorandum by the Acting Secretary of State, July 10, p. 300.

confidence and that consequently I would be glad to ask Dr. Hornbeck to discuss the matter on the basis above mentioned with Dr. Hall, whom the British Ambassador had selected for that purpose.

S[UMNER] W[ELLES]

740.0011 Pacific War/272½

The British Embassy to the Department of State

The United Kingdom authorities are contemplating the possibility of taking the following measures in the event of a Japanese move in southern Indo-China:—

(1) Prohibition of Japanese ships loading iron ore, etc. off the coast of Malaya by night. Such measures which it may be necessary to enforce on defence grounds even if no move is made by the Japanese against Indo-China in the near future would, incidentally, greatly reduce the exports to Japan of iron ore from the Japanese mines in Malaya.

(2) Denunciation of the Anglo-Japanese commercial treaty.⁸⁹ Action in this sense would follow the precedent set by the United States Government.

(3) The closure of the Japanese Consulate General at Singapore. In view of the likelihood of retaliation, it is not contemplated that this step should be adopted at once; the matter is, however, being studied further.

(4) Restrictions on exports to Japan.

(5) Restrictions on imports from Japan.

[WASHINGTON,] July 14, 1941.

811.20 (D) Regulations/3297 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, July 14, 1941—2 p. m.

[Received July 14—12:05 p. m.]

291. Reference Shanghai's No. 840, July 11, 5 p. m. to the Department⁹⁰ regarding Standard-Vacuum Oil Company. The reported improved Japanese attitude toward the Company's trade with the hinterland is undoubtedly in anticipation that the Company may thus be induced to supply Japanese military needs in China in order to continue hostilities in which the sympathy and aid of the United States has been pledged to China. It is difficult enough now to explain

⁸⁹ Signed at London, April 3, 1911, *British and Foreign State Papers*, vol. CIV, p. 159.

⁹⁰ Not printed.

why we permit materials to reach Japan which assist that country in the Sino-Japanese hostilities. I trust that permits will not be issued for the direct delivery of similar commodities in China for Japanese interests.

Sent to the Department, repeated to Peiping and Shanghai.

GAUSS

740.0011 P. W./418

*Memorandum of Conversations, by the Adviser on Political Relations
(Hornbeck)*

[WASHINGTON,] July 16, 1941.

In pursuance of arrangements made between the Under Secretary and the British Ambassador, Mr. Hall called on me yesterday and again today.

Mr. Hall stated yesterday that Mr. Welles had informed Lord Halifax and Lord Halifax had reported to the British Foreign Office that in the event of Japan's taking overt action in Indochina (of a type envisaged)⁹¹ it was the intention of the American Government immediately to impose comprehensive embargoes on trade with Japan.⁹²

Mr. Hall said that his Government raised questions: What would we consider an "overt act"; and what was the full meaning or implication of the concept "comprehensive embargoes". He also said that his Foreign Office gave indication of some uneasiness in regard to possible repercussions were the American Government's indicated action to be taken precipitantly and all-comprehensively. But, he said, they wanted to take parallel or similar or identical action themselves, and they would like to coordinate these matters as far as possible.

I said to Mr. Hall that I had not received instruction; that I was not prepared to state what would be considered an overt act or to indicate how immediate or how comprehensive this Government's action might be. I ventured the personal opinion that the Japanese would try to proceed quietly and without spectacular show or use of force in Indochina; and that any imposition of embargoes by this country would be consummated with care and by orderly steps as has been the case all the way along in our procedure of restricting exports. I suggested that we defer serious discussion on the subject (between Mr. Hall and myself) for twenty-four hours.

When Mr. Hall came in this morning, I said that I had been given light upon and had had opportunity to give thought to the questions

⁹¹ See communication of July 15 from the Navy Department, vol. v, p. 209.

⁹² See memorandum by the Acting Secretary of State, July 10, p. 300.

and the subject upon which he had approached me yesterday. I mentioned information sent us by the British Ambassador citing a report to the effect that the Japanese had made specific demands upon the French and had set a time limit, July 20, for reply. I expressed doubt whether that date would have any substantial significance as far as indicating that we would in the near future have overt evidence of Japan's forceful pressure. I referred to the records of Mr. Welles' statement to Lord Halifax and especially to the informal memorandum which Lord Halifax had left with Mr. Welles on July 14 stating that the United Kingdom authorities are "contemplating the possibility of taking" certain measures indicated in the event of a Japanese movement in southern Indochina. I asked whether Mr. Hall was in position to give us any more specific or precise indication of the British Government's intentions. I pointed out that renunciation now by the British Government of the Anglo-Japanese commercial treaty would constitute a paralleling of action taken by the American Government two years ago but would not of itself have any substantial effect beyond signifying an attitude on the part of the British Government in line with the attitude indicated by the American Government a long time ago. Mr. Hall indicated concurrence in that view. I then said that in as much as the American Government had given the British Government a categorical statement that we intend to act and that our action will be in a specified direction and of a specified type, it seemed to me desirable that before Mr. Hall and I proceed with a detailed discussion of features or items the British Government give us something paralleling our statement of intention rather than merely tell us that they are "contemplating possibilities".

I said that the embargoes which we have under consideration are such as an embargo on export of petroleum, an embargo on export of cotton, an embargo on import of silk, and embargoes on other items miscellaneously. By the way of reciprocity, even in the matter of carrying on discussions, I would like, I said, to know what the British have in mind under the headings "Restrictions on exports to Japan" and "Restrictions on imports from Japan". Mr. Hall said that he thought that this was all very reasonable; that he believed that there were agencies within the British Government which had formulated tentative plans, programs, schedules, et cetera, which could be brought forward in answer to my suggestions; and that he would ask for some indications of what they have expressly in mind. He said that one thing that has to be considered is the "repercussions". I then gave Mr. Hall an outline of my personal estimate of various possible repercussions in the Far East to this, that or another possible application of economic pressure. Mr. Hall gave indications that his thought on these suggestions closely followed or paralleled mine. He said, how-

ever, that when he had mentioned "repercussions" he meant economic repercussions within the British Empire, and especially within certain of its parts. I said that that, of course, was something that has to be taken into consideration. But, I said, if any action is to be taken, in the event of certain action by the Japanese, it will be necessary, toward having such action have any political effect, to take the action, big or little, with a reasonable degree of promptness: if we are going to discuss matters item by item, if we are going to proceed with an expectation of getting first an agreement between this Government and British Government and second an agreement between the authorities in the United Kingdom and the authorities in the dominions, et cetera, it will be likely to happen that long before these agreements are reached (if ever) the moment for taking the action under consideration will have receded into a distant past. Mr. Hall expressed concurrence.

I said that, we having indicated to the British Government the general line along which we will act, I hoped that the British Embassy would be able to indicate to us with some specifications the general line along which the British Government will expect to act. In the interval, I said, I would do what I could toward getting my own Government to come to conclusions regarding the details of our intended action and I hoped that Mr. Hall would do the same as regarded his Government. Mr. Hall said that he would do so.

I then asked whether Mr. Hall could indicate what he thought his Government might be willing to do were the American Government to state a willingness or intention on its part to put complete embargo on export of petroleum: Would the British Government be willing or be likely to parallel that action? Mr. Hall replied that he surmised that the British Government would wish to make action on its part regarding petroleum contingent upon an understanding that if in consequence thereof the Japanese moved southward, substantial aid would be forthcoming from the United States by way of resistance. I said that this was illustrative of one of the factors of difficulty in formulating and achieving joint plans or common commitments between the British and the American Governments for parallel or concerted action: Somebody is always laying down a condition or a reservation—with the result that discussions become deadlocked or are suspended or peter out, and action which might be taken by either Government or by both is delayed and all too often never eventuates. Mr. Hall indicated hearty concurrence in that observation.

I then said that it seemed to me desirable that his Government make up its mind as to what it can do and what it considers desirable that both do and that Mr. Hall and I compare notes as rapidly as we gather information which can profitably be exchanged. I then gave Mr. Hall an outline of my personal thought, emphasizing that in all that I was

saying I was speaking on my own responsibility and not as committing this Department or this Government, as to the advantages or disadvantages which would be likely to flow from action at this time regarding petroleum. I indicated that in my opinion action regarding silk and regarding cotton and regarding some other commodities, and action regarding freezing of funds, would come in a different category and would have a different set of effects from action regarding petroleum.

As the conversation was drawing to a close, I said that I could give no indication as to when the American Government might act or how comprehensively. But, I said, the American Government has indicated that it has its mind made up in principle and it has shown in what direction it intends to go. The sooner we can have, I said, a similar indication from the British Government, the better. It was then agreed that Mr. Hall and I would continue the discussion at the earliest practicable moment.

This afternoon Mr. Hall, at my request, came in again. I said that there was one point in the memorandum of possibilities which Lord Halifax had left with Mr. Welles that I thought we might try immediately to get some light upon: in the memorandum it was indicated that the British Government might try to cut down on exports of iron ore from Malaya by prohibiting night loading; but, I had now found that the question of a cut down on those exports had been a subject of discussion between the British Embassy and the Department and that the Embassy, in such discussions, had suggested that the British Government might be able to cut the figure from 1,900,000 tons per annum to about 1,600,000 tons per annum; and now, I wonder whether the British Government might not be prepared to say that it could and would do a good deal better than that. I said that so far as I know the only iron that Japan is now obtaining from the United States is the iron ore exports from the Philippine Islands; that we have put those exports on a quota basis, 900,000 tons per annum; that in considering the question of comprehensive embargoes we will have to consider whether we are going to cut down or cut off that export from the Philippines; that, naturally, the question of British intentions regarding their exports from Malaya would have a bearing upon our consideration of that problem and the conclusion which we might reach; and that I would like to have from the British Government whatever Mr. Hall might be able to get from them on that subject. Mr. Hall said that he considered this a reasonable request.

I then said that I would like to have Mr. Hall's opinion, if he cared to give it, and later the British Government's opinion as to what the British Government thinks on the subject of freezing Japanese funds, and what the British Government might be willing itself to do in regard to that problem. Mr. Hall said that he himself felt in principle

that it might be a good thing to do; that he would not, without giving the subject more study and thought than he had had occasion to give it, wish to commit himself very definitely about it; and that he would ask his Government for its thought on the subject.

S[TANLEY] K. H[ORNBECK]

894.24/1626

Memorandum of Conversation, by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] July 18, 1941.

Mr. Hall called on me at his request in continuation of conversation begun on July 16. Mr. Hall said that the British Government expected to be very conservative about putting embargoes on foodstuffs in trade with Japan; that it was giving "further study" to certain commodities, especially: iron ore, lead, zinc, bauxite, manganese, salt, mica, fluorspar and copra from New Guinea; and that it was especially interested in the subject of bunker control in the Pacific.

S[TANLEY] K. H[ORNBECK]

894.24/7-1941

Memorandum by the Adviser on Political Relations (Hornbeck) to the Under Secretary of State (Welles)

[WASHINGTON,] July 19, 1941.

MR. WELLES: There were three parts to the program of action which I suggested in my memorandum of yesterday⁸³ regarding action to be taken when Japanese action in and against Indochina becomes obvious: namely, economic pressures and, simultaneously with the application thereof, expedition of additional aid to China and new disposals of armed forces (especially planes) in the Far East (especially at Manila). I hope that none of the three will be overlooked and that all three of these measures will be taken simultaneously.

894.24/1575½

Memorandum by the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] July 19, 1941.

Mr. Welles requests that the necessary papers be prepared for putting into execution:

1. A freezing of Japanese and, simultaneously, of Chinese funds;

⁸³ Memorandum not found in Department files.

2. A prohibition (restriction?) of imports of silk (and other important imports?) from Japan;

3. A lowering of the specification for octane content of gasoline and a reduction in the qualities of lubricating oils export of which to Japan may be licensed and establishing of a quota for exports of petroleum products based on a period in which the exports were not abnormally large.

Mr. Welles said that he would like to have these papers ready by Monday.⁹⁴

894.24/1626

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁹⁵

[WASHINGTON,] July 21, 1941.

Under instruction from the Under Secretary, Mr. Hornbeck asked Mr. Hall to call at Mr. Acheson's office this afternoon; and, Mr. Hall having come, Mr. Acheson informed Mr. Hall of steps which the American Government expects to take vis-à-vis Japan. When Mr. Acheson had concluded, Mr. Hornbeck asked Mr. Hall whether he could inform us what steps the British Government intends to take. Mr. Hall replied that his Government expected to denounce certain commercial treaties; that it expected to "tighten controls" of exports and imports; but he did not know what their intentions were with regard to freezing; and that they would ask the Dutch to get "right into line". Mr. Acheson asked for details about trade controls and mentioned certain features of our theory and practice. Mr. Hall did not elucidate. Mr. Hall stated that the United Kingdom trade with Japan was no longer important in volume but that the trade of the Dominions and Colonies with Japan was important.

On the whole, what Mr. Hall said was inconclusive and not very comprehensive.

Comment: In the light of this conversation and the preceding recent conversations which I have had with Mr. Hall on the subject of coordination of U. S. and British plans and procedures, I am of the impression that the British Government has rather vague and rather limited intentions as regards economic pressures against Japan, and that the British Government's chief interests as regards such conversations is to find out what this Government has in contemplation and have itself in position to offer to this Government suggestions or advice.

S[TANLEY] K. H[ORNBECK]

⁹⁴ July 21.

⁹⁵ Noted by the Under Secretary of State (Welles).

811.20 (D) Regulations/6613

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton)*

[WASHINGTON,] July 22, 1941.

I strongly recommend that the two proposed statements to the press be revised in such a way as to (1) indicate that the additional restrictions on exports of petroleum products are being put into effect because of the defense needs of the United States, and (2) avoid mention of Japan (or Japanese-occupied China).

To mention Japan by name would represent a definitely new departure from the procedure heretofore followed. As long as the same effect can be obtained, I definitely favor proceeding with some finesse. I therefore strongly recommend that the press releases follow the procedure and form used in previous statements to the press, for instance, the statements issued on July 31 and December 10, 1940⁹⁶ (attached).

M[AXWELL] M. H[AMILTON]

611.946/482a

The Under Secretary of State (Welles) to President Roosevelt

WASHINGTON, July 22, 1941.

MY DEAR MR. PRESIDENT: With regard to the discussion which took place in Cabinet on July 18 concerning the application of certain embargo measures relating to Japan in the event of some overt action by Japan, I consulted General Marshall⁹⁷ regarding the attitude of the War Department towards any restrictions which might be imposed by this Government upon the importation of silk into the United States.

I have today received from the War Department a brief memorandum⁹⁸ which I attach herewith for your information and which indicates that the War Department has no objection to the imposition of restrictions upon the importation of silk into this country.

Believe me [etc.]

SUMNER WELLES

⁹⁶ *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 218 and 232. For press release issued on July 25, 1941, see *ibid.*, p. 266. See also telegrams Nos. 457, August 1, 9 p. m., and 458, August 1, 10 p. m., to the Ambassador in Japan, *post*, p. 851.

⁹⁷ Gen. George C. Marshall, Chief of Staff, U. S. A.

⁹⁸ Not printed.

711.94/2216

The Chief of Naval Operations (Stark) to the Secretary of State

Op-10-MD

WASHINGTON, July 22, 1941.

MY DEAR SECRETARY: The enclosed is self-explanatory. I sent it to the President via his aide, Captain Beardall. The President told Captain Beardall that he liked it and asked me to send you a copy. Hence, the within.

I hope you are feeling better and stronger every day.

We miss you very greatly, and all of us look forward to your return.⁹⁹ We are still hoping you will not come back until fully restored to health. It is better to be sure than sorry.

With every good wish [etc.]

H. R. STARK

P. S. Admiral Nomura is having lunch with me tomorrow at my house. The President's only suggestion is that I tell Admiral Nomura that it is rather difficult to make our people understand why we cut oil and gas at home and then let Japan have all she wants.

Of course, we understand this, because Japan carries the oil in her own bottoms—and our own shortage in the East is due not to lack of oil and gas at the refineries, but to our inability to transport it from the oil fields to points where needed.

H. R. S.

[Enclosure]

The Chief of Naval Operations (Stark) to President Roosevelt

Op-10-MD

[WASHINGTON,] July 21, 1941.

MEMORANDUM FOR THE PRESIDENT

I think you will be interested in the enclosed.¹

Had I seen Nomura, I think I would have told him exactly what Turner did, and, in fact, have given him this picture before, which is one we have talked over rather frequently in the Department.

I have also told Nomura that were our two nations to clash there could be only one ending, because, regardless of how long it took, once we had started it, the United States would finish it in its own way, etc., etc.

⁹⁹ Secretary Hull was in White Sulphur Springs, West Virginia.

¹ For this enclosure, see memorandum of July 21, from the Director of the War Plans Division of the Navy Department to the Chief of Naval Operations, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 516.

I propose to make a date with Nomura on Wednesday.² I thought possibly you might have something you wanted me to get over.

I feel that Nomura has no heart for the Axis tie-up. In fact, he once said that his lips and his heart might be at variance. It was clearly evident that he had to at least give lip service to the Axis, but that his heart just wasn't in it.

What he had to say about commodities is also more or less, I believe, in line with your thoughts. I thought the plea you made for peace³ (I believe it was in September, 1939) was one of the best things I ever heard, particularly where you promised the world to do all you personally could for such distribution of raw materials as would permit all nations of their share, etc., etc. These words meant so much to nations like Japan that they undoubtedly sunk deeply into them. Of course, the picture has changed greatly since then.

You remember your request that we draw up an estimate of what the effect of an embargo of essential raw materials might be on Japan. I turned it over to Kelly Turner, head of the War Plans Division, and, upon inquiry, find that he has it completed, except for the import tables which will probably be ready tomorrow and which I will send over by Jack then. However, the report does not really need the import tables to be understandable. I thought it might be of interest to you in connection with Nomura's visit.

I ran up home Saturday afternoon, so I missed Nomura on Sunday.

I think the reason for Nomura's dealing with us is that he is used, as all Naval officers are, to direct speaking, and I think at times he gets downright lonesome. His friendship for the American Navy is of long standing and beyond question.

(Signed) BETTY

[Subenclosure]

*The Director of the War Plans Division of the Navy Department
(Turner) to the Chief of Naval Operations (Stark)*

Op-12-djm.

WASHINGTON, July 19, 1941.

Subject: Study of the effect of an embargo of trade between the United States and Japan.

Enclosures: ⁴

² July 23.

³ It is not clear which peace appeal was meant. President Roosevelt's appeal to Chancellor Hitler of Germany and Benito Mussolini as Chief of the Italian Government, on April 14, 1939, expressed the willingness of the United States to enter into discussions for opening up trade opportunities to every nation. See *Foreign Relations, 1939*, vol. 1, p. 130.

⁴ None printed.

- (A) Copy of the following tables:
- (1) Exports to Japan—December 1940 through May 1941.
 - (2) Exports from Hawaii to Japan—December 1940 through May 1941.
 - (3) Exports from the Philippines to Japan—December 1940 through May 1941.
- (B) Copy of the following tables:
- (1) Imports from Japan—December 1940 through May 1941.
 - (2) Imports from Japan to Hawaii—December 1940 through May 1941.
 - (3) Imports from Japan to the Philippines—December 1940 through May 1941.

1. *Purpose.*

The purpose of this study is to determine the effect that would be produced by the enforcement of an absolute or partial embargo on trade between the United States and Japan. Detailed consideration has not here been given to the trade between Japan and the Philippines.

2. *United States Exports to Japan in 1940.*

United States exports to Japan in 1940 were valued at \$227,000,000, a decline of \$5,000,000 from 1939, and of \$13,000,000 from 1938. During the first ten months of 1940 the value of exports advanced, due to higher commodity prices and Japan's increased demand for American products as a result of enforced curtailment of her purchases from Europe. However, sharp recessions in export trade during the last two months of 1940, occasioned in part by the application of export license control to certain products, wiped out earlier gains. In November and December, particularly sharp declines were registered in machine tools, ferro-alloys, and refined copper, while scrap iron exports were practically negligible.

3. *Present Trends of Exports.*

(a) United States exports to Japan during the first five months of 1941 were valued at \$47,000,000 as compared with \$91,500,000 for the same period of 1940. During the current year, trade has declined steadily from \$11,336,000 in January to \$6,594,000 in May (see Enclosure (A)).

(b) The principal factor affecting exports to Japan during the past year has been the progressively restrictive effect of export control measures. The virtual disappearance from the trade in 1941 of iron and steel products and of metal working machinery, which together accounted for shipments valued at \$67,000,000 in 1940, was the direct result of an embargo on shipments of these commodities to Japan. The sharp drop in Japanese purchases of raw cotton, during 1940, however, was the result of other influences.

(c) (1) During 1939, Japan purchased American raw cotton valued at \$42,500,000, while in 1940 her purchases amounted to only \$29,500,000. This drop was due to the large quantity of piece goods then on hand in Japan, the relatively high price of American cotton compared to that of India and of Latin America, and shipping requirements for items needed more urgently. In November 1940 American exports of raw cotton were valued at only \$157,000; they have risen steadily since then, reaching \$881,000 in May 1941.

(2) Declines in luxury items, including automobiles, are due to a decline in purchasing power in Japan and to Japanese action in placing restrictions on the importation and use of these items, rather than to United States export restrictions.

(d) Petroleum exports during 1940 increased by \$9,300,000 dollars, or 21%, over the figure for 1939. Exports for the first five months of 1941 were valued at \$27,200,000, or 50% of the total for the entire year 1940. This is contrary to the general trend of exports.

(e) Sharp reductions in available ship tonnage have contributed to the fall in exports. Due to withdrawals from trade of additional vessels, future exports to Japan will be even less, regardless of export restrictions.

4. Imports from Japan.

(a) Imports from Japan to the United States during 1939 were \$161,000,000 and in 1940, \$158,000,000. For the first four months of 1941, imports amounted to \$40,000,000, a decline of only \$8,200,000 from the same period in 1940; this compares with a decline in our exports of \$37,300,000. Our exports to Japan exceeded our imports from that country, during the period 1 January to 30 April, 1941, by only about \$500,000, much less than usual. One result of the system of export control is thus seen to be the arrival at a balance between exports and imports. This fact permits Japan to pay in kind for all goods sent to her from this country, and a continuation of the present trend may soon make her our creditor.

(b) The following table shows items of imports valued at more than \$1,000,000 during 1940:

<i>Item</i>	<i>Value of 1940 Imports</i>
Crabmeat	\$3, 269, 000
Tea	3, 190, 000
Cotton cloth, bleached	2, 263, 000
Raw silk	105, 311, 000
Silk fabric, except pile	1, 661, 000
Hats, bonnets, and hoods	1, 143, 000
China and porcelain ware	2, 423, 000
Earthen and stoneware	1, 096, 000
Total	\$120, 356, 000

These eight items account for 76% of our imports and indicate where curtailment might start if it is decided to take steps to reduce Japan's markets.

5. *Effect of Further Restrictions on Exports.*

(a) The most important fields for exercising further restrictions on exports are petroleum products and raw cotton, which accounted for 74% and 13%, respectively, of the trade in May, 1941.

(b) It is generally believed that shutting off the American supply of petroleum will lead promptly to an invasion of the Netherlands East Indies. While probable, this is not necessarily a sure immediate result. Japan doubtless knows that wells and machinery probably would be destroyed. If then engaged in war in Siberia, the necessary force for southward adventures might not be immediately available. Furthermore, Japan has oil stocks for about eighteen months' war operations. Export restrictions of oil by the United States should be accompanied by similar restrictions by the British and Dutch.

(c) Restrictions on the export of raw cotton would probably be serious for Japan only if India, Peru, and Brazil should apply the same restrictions. Cotton stocks in Japan are believed to be rather low at present.

(d) It will, of course, be recognized that an embargo on exports will automatically stop imports from Japan.

(e) An embargo on exports will have an immediate severe psychological reaction in Japan against the United States. It is almost certain to intensify the determination of those now in power to continue their present course. Furthermore, it seems certain that, if Japan should then take military measures against the British and Dutch, she would also include military action against the Philippines, which would immediately involve us in a Pacific war. Whether or not such action will be taken immediately will doubtless depend on Japan's situation at that time with respect to Siberia.

(f) Additional export restrictions would hamper Japan's war effort, but not to a very large extent since present restrictions are accomplishing the same result, except with regard to oil, raw cotton and wood pulp. Thus, the economic weapon against Japan has largely been lost, and the effect of complete embargo would be not very great from a practical standpoint.

6. *Effect on the United States of a Loss of Imports From Japan.*

(a) As previously mentioned, exports and imports are approaching a balance. If exports cease, imports will also cease, as Japan would not have the means to continue her purchases. The same effect would be produced if we stopped buying from Japan, but attempted to continue our exports.

(b) In 1940, raw silk formed 67% of United States imports from Japan. Silk is processed here. It is used in industry and for certain munitions, particularly powderbags. The armed services have large stocks of raw silk, and could get along without further imports, though silk substitutes are not entirely satisfactory. Doubtless industry could manage without silk, although the lack of it would cause a considerable dislocation of labor now employed in the industry. The effect of stopping the purchase of silk would also have an adverse psychological reaction on the part of Japan, though possibly not so great as would an export embargo.

(c) Stopping other imports from Japan would not cause any great hardship in the United States, although the general effect on industry would be adverse.

7. *Conclusions.*

(a) Present export restrictions, plus reductions of available ship-tonnage for use in Japanese trade have greatly curtailed both exports and imports.

(b) The effect of an embargo would hamper future Japanese war effort, though not immediately, and not decisively.

(c) An embargo would probably result in a fairly early attack by Japan on Malaya and the Netherlands East Indies, and possibly would involve the United States in early war in the Pacific. If war in the Pacific is to be accepted by the United States, actions leading up to it should, if practicable, be postponed until Japan is engaged in a war in Siberia. It may well be that Japan has decided against an early attack on the British and Dutch, but has decided to occupy Indo-China and to strengthen her position there, also to attack the Russians in Siberia. Should this prove to be the case, it seems probable that the United States could engage in war in the Atlantic, and that Japan would not intervene for the time being, even against the British.

8. *Recommendation.*

That trade with Japan not be embargoed at this time.⁵

R. K. TURNER

894.24/1498½

The Chief of Naval Operations (Stark) to the Under Secretary of State (Welles)

WASHINGTON, 22 July, 1941.

DEAR MR. WELLES: The latter part of last week the President asked my reaction to an embargo on a number of commodities to Japan. I

⁵ Admiral Stark approved: "I concur in general—Is this the kind of picture you wanted?"

expressed the same thought to him which I have expressed to you and to Mr. Hull regarding oil, but as to the subject in general I would be glad to have War Plans Division make a quick study. This study was finished yesterday. I sent it to the President and told his Aide I should also like to send you a copy.⁶ The President expressed himself as pleased with it and asked me to send a copy to Mr. Hull, which I have done; and to talk it over with you.

Will you send for me at your convenience?

Sincerely,

H. R. STARK

894.24/1479½

*Memorandum of Conversation, by the Assistant Secretary of State
(Acheson)*

[WASHINGTON,] July 23, 1941.

Mr. Butler and Mr. Hall called on me at their request. Mr. Hall stated that the Embassy had received a telegram from London regarding the economic measures which they expected to put into effect against Japan and stated that the British Government had recommended to the Dominions that a full freezing of Japanese and Chinese assets should be instituted. The Government was still awaiting replies from the Dominions but Mr. Hall had no doubt that assent would be given. He said that the British Government had taken up with the Netherlands Government, the Belgian Congo, the Free French authorities the matter of instituting similar action.

I asked whether, as administered by the British, freezing control would carry with it control over exports and imports, and he said that it would. I asked on what basis the British would be prepared to permit exports and imports. He replied that he had understood from my earlier conversation with him that we were considering specific licenses for exports to equal strategic materials which it might be necessary for us to obtain from Japan, and that he understood that the British Government would be prepared to operate on the same basis. He also understood from me that it was our intention at the outset not to disturb the existing export controls from the Philippines and that it would be the British intention to adopt the same principle so far as Malaya was concerned.

In accordance with instructions from the Acting Secretary, I stated to Mr. Hall that the exact situation in Indo China was still not clear to this Government, and that the time table for putting restrictions into effect by this Government and the order and extent of the restrictions would depend upon the facts as they developed. I warned him

⁶Dated July 19, p. 836.

that my prior conversation with him was not to be interpreted as meaning that this Government would put all the controls into effect simultaneously or immediately, but that we would give him ample notice before taking any action and would inform him of the action proposed to be taken. He said that he would appreciate this very much since this would give an opportunity for the British Government to communicate with the Dominions.

Mr. Butler asked me whether the conference between Mr. Welles and the British Ambassador had thrown any new light on the situation. I said that Mr. Welles had informed me that it had not; that Mr. Welles would make an appointment to discuss the matter with Mr. Butler on Thursday, July 24.

DEAN ACHESON

811.20 (D) Regulations/3783a : Telegram

*The Acting Secretary of State to the Consul General at Shanghai
(Lockhart)*

WASHINGTON, July 23, 1941.

461. The Department on the recommendation of the British Purchasing Commission has recently issued export licenses authorizing shipments to British companies in Shanghai. This action was taken after explanation by the Commission that the issuance of licenses had been recommended by the British Embassy in Shanghai. The Department has, however, now reached an understanding with the Commission that no action will be taken henceforth on such applications unless your favorable recommendation has been received. It is understood that the British Embassy here will request the British Embassy in Shanghai to request you to recommend favorable action in cases which it approves.

WELLES

894.5151/245 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 26, 1941—5 p. m.
[Received July 26—9:45 a. m.]

1096. During past several days officials from Ministry of Finance have visited American firms in Tokyo and demanded full and complete reports on all business and financial transactions, including details of bank balances, reserves and property holdings. Submission of these reports was demanded by July 25. Demands were also made for a detailed report on all personal property held by American in-

dividuals to be submitted by July 31. Apparently this procedure was initiated as prelude to the freezing of America's credits in Japan as a retaliatory step against the anticipated freezing of Japanese credits by the United States.⁷

GREW

741.942/54 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 26, 1941—9 p. m.

[Received July 26—1:47 p. m.]

1100. In a note handed to the Japanese Foreign Minister this afternoon the British Ambassador served notice of the termination of the Treaty of Commerce and Navigation of April 3, 1911, between Japan and Great Britain,⁸ and of the conventions regarding commercial relations and trade and commerce between India, Burma and Japan of July 12, 1934, and June 7, 1937, respectively,⁹ on the grounds that these instruments can no longer be regarded as fulfilling the objects which the British, Indian and Burman Governments had in view at the time of their conclusion. The note states that in accordance with the terms of the treaty and conventions the Treaty of Commerce and Navigation with Great Britain will expire 1 year and the conventions 6 months from today's date.¹⁰

GREW

894.5151/247 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 28, 1941—11 p. m.

[Received July 28—11:48 a. m.]

1111. Embassy's 1108, July 28, 8 p. m.,¹¹ numbered paragraph 4. The attention of the Department is called to the fact that, whereas the American Government's order freezing Japanese assets restricts monthly expenditures of Japanese nationals to \$500, the Japanese ordinance provides for a sum of only 500 yen.

GREW

⁷ See press release of July 25 and Executive Order No. 8832, July 26, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 266 and 267.

⁸ *British and Foreign State Papers*, vol. CIV, p. 159.

⁹ League of Nations Treaty Series, vol. CLV, p. 31, and vol. CLXXXV, p. 186.

¹⁰ Text of note transmitted to the Department by Ambassador Grew in his despatch No. 5769, August 4; received October 2.

¹¹ Not printed.

810.8593/54

Memorandum by the Acting Secretary of State

[WASHINGTON,] July 28, 1941.

The British Ambassador called to see me this morning upon his return from two weeks in California.

The Ambassador left with me the brief memorandum attached herewith¹² suggesting that British and U. S. authorities advise their bunkering firms on the East Coast of South America to delay the furnishing of fuel to the Japanese ships now proceeding around Cape Horn to Japan. I said that this matter would be given immediate consideration.¹³

S[UMNER] W[ELLES]

811.20 (D) Regulations/4012½

*Memorandum by Mr. George F. Luthringer of the Office of the Adviser on International Economic Affairs*¹⁴

[WASHINGTON,] July 30, 1941.

SUGGESTED POLICY WITH RESPECT TO THE CONTROL OF UNITED STATES-JAPANESE AND PHILIPPINE-JAPANESE TRADE UNDER EXECUTIVE ORDER NO. 8389, AS AMENDED¹⁵

I

THE IMMEDIATE FUTURE (APPROXIMATELY THE NEXT TWO WEEKS)

A. United States-Japanese Trade

During this period it is suggested that pending future developments in Japanese foreign policy no indication should be made of this Government's general policy in the administration of the freezing control with respect to Japan. During this period no license applications will be granted for exports to or imports from Japan. Inquirers will be told to file applications, but such applications will be held without action during this period. Such a policy will doubtless lead to the conclusion that the control is to be applied strictly to Japan. This period, however, will afford an opportunity to coordi-

¹² Not printed.¹³ In a separate memorandum, Mr. Welles recorded that he gave the British Ambassador information in regard to telegraphic reports from Ambassador Grew and also "statements made to the Japanese Ambassador in Washington during the past week by the President and by myself." (740.0011 P. W./498)¹⁴ In submitting his memorandum to the Assistant Secretary of State (Acheson) for approval, Mr. Luthringer on July 30 described it as an attempt "to embody the suggestions which you made following the meeting of the Inter-departmental Policy Committee yesterday evening".¹⁵ 6 *Federal Register* 2897.

nate the policies of the various friendly governments which have also applied freezing control to Japan.

During this period Japanese ships should be allowed to refuel, reprovision and clear from American ports but no indication will be given as to the treatment of applications relating to the disposition of their cargoes.

B. Philippine-Japanese Trade

Because of General License No. 64 the Philippines can continue to import from Japan without the necessity for applying for specific licenses for each transaction. To the extent that merchants in the Philippines wish to import from Japan, and the Japanese wish to export, this trade will presumably continue. Philippine exports to Japan, however, are subject not only to freezing control but also to export control. It is proposed during this period to deny or keep pending applications for export licenses for commodities requiring such licenses. Presumably the Philippines will continue to export commodities which do not require a license and for which the Japanese will provide shipping facilities. Shipping difficulties may, however, reduce such trade to a minimum.

II

INTERMEDIATE PERIOD (THE FOLLOWING TWO MONTHS)

A. United States-Japanese Trade

This will be a trial period during which a cautious attitude will be taken with respect to trade with Japan but during which no general policy will be announced with regard to the control. The duration of this period is of course uncertain and will depend upon general political developments in the Far East. It is contemplated that during this period there will be a limited export and import trade with Japan on the basis of specific license applications. Presumably the chief import from Japan which will be licensed will be silk. Specific license applications will also be granted for limited quantities of exports to Japan roughly equivalent in value to imports from that country.

During this period a limited amount of petroleum exports to Japan will be permitted. Applications for licenses for such exports would require a full description of the product proposed to be shipped. Applications for exports of gasoline above any specified octane rating and high-grade lubricating oils would be denied. Applications would be approved, however, for other petroleum products in quantities based on 1935-36 average shipments. Presumably, applications would be freely approved for export of cotton or other products of which there is a surplus.

B. Philippine-Japanese Trade

Presumably, Philippine imports from Japan will continue to be carried out in large part under the General License although a few specific license applications might be approved. During this period there would be some relaxation with regard to the issuance of licenses permitting the export of commodities subject to export control (e. g., iron ore and coconut oil). Exports of such controlled commodities would be limited in quantity, however, presumably on a pro rata basis of 1935-36 average shipments.

III

FINAL PERIOD ASSUMING THAT POLITICAL CONDITIONS MAKE DESIRABLE
AN EXPANDED BUT CONTROLLED TRADE WITH JAPAN

Under this general assumption trade with Japan could probably best be handled under some sort of a clearing arrangement under which proceeds of imports from Japan would be credited to special accounts which would be available for purchasing American exports. A similar arrangement could be put into effect between Japan and the Philippines. The quantities and composition of American and Philippine exports to Japan would presumably be based on some relation to Japanese peace-time needs. These arrangements might also be conditioned in part on an agreement of the Japanese to devote a certain amount of shipping to trade between the United States and the Philippines.

IV

Some mechanism should be established at once for coordinating the various freezing and other controls of the British, Canadian, Australian and Netherlands Governments with the policies of the United States Government. To a large degree it would appear that effective United States policy is dependent upon close coordination with the policies of the Governments mentioned. This is particularly the case with respect to shipments of such commodities as petroleum products and iron ore.

811.20 (D) Regulations/3968a

*The Under Secretary of State (Welles) to President Roosevelt*¹⁶

WASHINGTON, July 31, 1941.

MY DEAR MR. PRESIDENT: A few applications to license exports from the United States to Japan have been made under the Japanese

¹⁶ President Roosevelt approved the recommendations, with the notation: "SW OK. FDR".

freezing order. A few inquiries have been made regarding imports from Japan. For the time being, the Foreign Funds Control Committee is holding these applications without action. It seems desirable that the Committee and also the export control authorities be given instructions as to the policy which you desire it to follow. I submit for your consideration the following statement of policy.

1. *Exports to Japan.* Many categories of exports are already forbidden by the export control regulations. It is recommended that the Foreign Funds Control Committee deny all applications for:

All articles the exportation of which is now prohibited by the existing export controls and such of the following products (or grades or types) as are not already prohibited by those controls:

- Wood pulp;
- Metals and manufactures;
- Machinery and vehicles;
- Rubber and manufactures;
- Chemicals and related products except certain products such as some pharmaceutical preparations, et cetera, to be specified after further study.

The above list includes all commodities in which there is any substantial trade except cotton and petroleum products (the latter being dealt with below). In none of the items in the list is there any large export at present. Raw cotton exports have averaged about \$600,000 per month in the first six months of 1941 as against slightly over \$4,000,000 per month average in 1938.

It is recommended also that action similar to that outlined above be taken at once by the export control administration, so that its action may conform to action taken under the freezing order.

2. *Imports from Japan.* It is recommended that no licenses be granted for importation of silk or silk products. The military authorities inform me that they have no need for further silk imports. Should that situation alter, policy can be changed immediately to meet such an altered situation.

It is also recommended that purchase of gold from Japan be discontinued.

It is doubtful whether application will be made for any substantial imports from Japan other than silk. Should such applications be made, it is recommended that they be acted upon depending upon the estimated need for the products involved in the United States. Proceeds from such imports, if any, can be made available for the payment of such exports as are permitted.

3. *Petroleum Products.* It is recommended that action here issue from the export control authorities on the basis of national defense needs. The action recommended is the issuance of appropriate direc-

tives and the revocation of outstanding specific and general licenses to prohibit the exportation, except to the British Empire, the Western Hemisphere and to nations resisting aggression, of

Gasoline above a specified quality and beyond a specified quantity (normal 1935-36 amount) ;

Lubricating oils above a specified quality and beyond a specified quantity (normal 1935-36 amount) ;

Other petroleum products above a specified quality and beyond a specified amount (normal 1935-36 amount).

(Specifications to be such as will preclude shipment of gasoline or oils capable of use for aviation gasoline and the high grade raw stocks suitable for their manufacture.)

The Foreign Funds Control Committee will continue to hold without action applications relating to petroleum exports from the United States and subsequently grant licenses under the freezing order only in accordance with the policy to be initiated by export control.

Believe me [etc.]

SUMNER WELLES

894.24/1587

*Memorandum by Miss Ruth Bacon of the Division of Far Eastern Affairs*¹⁷

[Extract]

[WASHINGTON,] July 31, 1941.

CONCLUSIONS

The decisions taken in this Department upon the course of action to be followed with respect to oil shipments to Japan have been related necessarily to developments in the Far Eastern situation and to this Government's general policy with regard to that situation. Among the factors determining the Department's decisions upon the question of oil shipments to Japan have been the state of public opinion in this country, which on the whole has ardently desired non-involvement by this country in any hostilities and which was slow in overcoming an aversion to measures in the nature of sanctions; and the unwillingness of other oil producing countries to cooperate in an oil embargo against Japan unless this Government would give a guarantee of military assistance in case difficulties with Japan should result. With the outbreak of the European war the question of oil shipments to Japan became only one factor in the general

¹⁷ Initialed by the Chief of the Division (Hamilton); seen by the Secretary of State.

strategic situation. Our military and naval authorities advised that this Government was not prepared for war on the Atlantic and the Pacific simultaneously and that action likely to precipitate trouble in the Far East should therefore be avoided. The gaining of time to prepare became a paramount consideration which affected this Government's policy toward oil shipments, not because it was felt that an embargo upon oil shipments would lead to an attack by Japan upon the United States, but because an embargo would tend to lead Japan to use duress or military force against British or Netherland possessions in the Far East. It has been felt that such a result would have been prejudicial to the cause to which we were committed and to the progress of this country's rearmament program, and might result in war between the United States and Japan.

Additional considerations weighing against the cutting off of all oil supplies to Japan have been the desire not to impel Japan, or to give Japan an excuse, to move against the Netherlands Indies while they were helpless after the occupation of the Netherlands by Germany, and the desire not to prejudice the ability of the Netherlands Indies to hold their own in the discussions relating to the oil shipments sought by a Japanese economic delegation in the Netherlands Indies. This Government also wished to give an opportunity for the full consideration of a proposal put forward by the Japanese Ambassador here with a view to bringing peace in the Pacific area.¹⁸

Although all oil shipments to Japan from the United States were not cut off, shipments of "aviation" gasoline were stopped in the interests of national defense and shipments of other petroleum products were permitted only under license.

During the two years of time which have thus far been gained, this Department has urged that the defenses of the United States in the Pacific be increased and that the British and Netherland Governments be encouraged to increase their Far Eastern defenses. The strategic position of the United States with regard to the Pacific has been strengthened month by month through the progress of its rearmament and naval expansion programs; through the building up of the defenses of the Philippines, Guam and Samoa; and through the reinforcement with American encouragement and assistance of the defenses of Singapore and other British possessions in the Far East and of the Netherlands East Indies. This Government, moreover, has extended material, financial, technical and moral assistance to the Chinese Government; in recent months this Government's determina-

¹⁸ See document presented to the Department on April 9, 1941, *Foreign Relations, Japan, 1931-1941*, vol. I, p. 398; see also memorandum by the Secretary of State, April 14, 1941, *ibid.*, pp. 402, 403.

tion to assist China has been emphasized through the extension of aid under the "Lend-Lease" Act. With the conclusion of the Three Power Pact,¹⁹ moreover, opinion in this country hardened with regard to Japan so that support could be found for measures such as, ultimately, the freezing of Japanese assets in this country. Meantime although Japan has been receiving substantial shipments of certain types of oil from the United States, Japan's economic position and Japanese morale have been drained by two more years of hostilities in China. Japan's position has also been adversely affected by the outbreak of hostilities between Germany and the Soviet Union, which has confronted Japan with the prospect that if hostilities should develop in the Pacific as a consequence of Japanese acts, Japan would be open to attack from all sides, and which has made Japan less likely for the time being to react to the imposition of an oil embargo by promptly moving against the Netherlands East Indies.

811.20 (D) Regulations/3912a : Telegram

The Acting Secretary of State to Collectors of Customs

WASHINGTON, August 1, 1941.

There have been revoked today all valid licenses authorizing the exportation of petroleum products to countries other than the following: countries of the Western Hemisphere, the British Empire, Egypt, Netherlands Indies, Unoccupied China, and the Belgian Congo. These revocations are effective at midnight today, August 1, 1941. Accordingly, after the hour mentioned no further shipments of petroleum products should be permitted to clear for exportation to countries other than those referred to above under licenses which have been issued prior to this date. Any outstanding licenses which have been or may be presented to you for exportations affected by the foregoing should be returned to the Department of State immediately.²⁰

General License No. GEH issued by the Secretary of State on June 20, 1941 authorizing the exportation from those ports located on any coast of the United States except the Atlantic Coast of certain petroleum products has been revoked as of midnight today, August 1, in respect to shipments to countries other than those referred to above.

SUMNER WELLES

¹⁹ Signed at Berlin, September 27, 1940, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 165.

²⁰ In telegram dated August 11 to the Collector of Customs at Los Angeles, the Secretary of State reported issuance of licenses for certain petroleum products to Japan and authorized their export, "subject, of course, to the receipt of appropriate licenses issued by the Treasury Department under Executive Order 8389 as amended."

811.20 (D) Regulations/3948b : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 1, 1941—9 p. m.

457. The White House has issued the following press release:

"It was announced today that the President has directed the Administrator of Export Control to initiate further regulation in respect to the export of petroleum products in the interest of the national defense.

The action will have two immediate effects. It will prohibit the exportation of motor fuels and oils suitable for use in aircraft and of certain raw stocks from which such products are derived to destinations other than the Western Hemisphere, the British Empire and the unoccupied territories of other countries engaged in resisting aggression. It will also limit the exportation of other petroleum products, except to the destinations referred to above, to usual or pre-war quantities and provide for the pro rata issuance of licenses on that basis."

WELLES

811.20 (D) Regulations/3948a : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 1, 1941—10 p. m.

458. The Department has issued the following press release:

"There have been revoked today all valid licenses authorizing the exportation of petroleum products to countries other than the following: countries of the Western Hemisphere, the British Empire, and the unoccupied territories of other countries resisting aggression. The holders of these licenses have been informed that, if they wish to resubmit applications for licenses, these applications would be promptly considered in accordance with the policy set forth in the statement issued by the President today concerning the exportation of petroleum products.

Pending applications for licenses to export petroleum products to countries other than those referred to above were returned to the applicants with the same suggestion.

General license No. GEH, issued by the Secretary of State on June 20, authorizing the exportation from those ports located on any coast of the United States except the Atlantic Coast of certain petroleum products, has been revoked in respect to shipments to countries other than those referred to above. Exports to such countries will be permitted upon the issuance of individual licenses in accordance with the policy set forth in the President's statement."

WELLES

703.94/16819

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] August 2, 1941.

The Japanese Ambassador called to see me this afternoon at his urgent request.

The Ambassador said that he was informed by the Nippon Yusen Kaisha, the owner of the steamship *Tatuta Maru* now in San Francisco, that the only way in which the vessel could clear from San Francisco promptly because of the libels and attachments against the vessel and its cargo was for a bond to be placed by the shipping company to cover the amount represented in these attachments. The Ambassador asked if I would be good enough to assist in the matter.

I said to the Ambassador that 48 hours ago through Mr. Acheson I had requested that the Treasury Department make available from the blocked funds an amount sufficient to make it possible to post bond, should that be possible, in order to permit this vessel to clear. I said that I felt sure, therefore, that the Treasury Department would take action immediately in this sense as soon as it was requested to do so.

The Ambassador expressed great appreciation.

S[UMNER] W[ELLES]

611.94231/53

*The Japanese Embassy to the Department of State*²²

The Japanese Government has been obliged to order all America-bound passenger ships now at sea to cancel their call at United States ports in view of the danger of their cargoes being frozen upon unloading and the present circumstances that render it impossible to reload them because of the claims by the consignees of the cargoes and other obstacles.

This suspension of shipping is of course temporary. The Japanese Government is prepared to order the resumption of service as soon as an arrangement is reached to permit the continuance of trade under the present conditions between Japan and America and to facilitate the exchange of goods upon specified conditions.

[WASHINGTON,] August 5, 1941.

²² Handed to the Secretary of State by the Japanese Ambassador on August 6. This *aide-memoire* was brought to the attention of the Assistant Secretary of State (Acheson), who expressed the opinion that no action should be taken at that time and that, in view of the strong attitude of the Japanese and of the absence of some indication of a desire to be helpful, the Department of State should maintain a strong attitude.

894.3311/704

The Secretary of State to the Japanese Ambassador (Nomura)

The Secretary of State presents his compliments to His Excellency the Japanese Ambassador and refers to his note no. 205 of July 22, 1941²³ requesting to be informed whether the proposed visit of the Japanese naval transport *Shiriyu* to Los Angeles from August 9 to 14, 1941 for the purpose of taking on crude petroleum would be agreeable to the United States Government.

The Secretary of State takes pleasure in informing the Japanese Ambassador that the visit of the *Shiriyu* and the landing of the crew is agreeable to the United States Government but points out that under Executive Order 8389, as amended, the taking on of crude petroleum by the *Shiriyu* is permissible only if a license pursuant to the said Executive Order has been obtained from the Treasury Department and an export license pursuant to the Export Control Act of July 2, 1940 has been obtained from the Department of State. Applications for such licenses are to be filed with the Treasury Department and the Department of State, respectively, and are dealt with in accordance with the policies of the Government of the United States and the merits of each individual application.

WASHINGTON, August 6, 1941.

894.24/1339§

The Treasury Department to the Department of State

[WASHINGTON,] August 7, 1941.

Re: Exports to Japan (including Manchuria)

1. The procedure described below is to be followed in handling applications involving exports to Japan:

A. Merchandise (except petroleum products, tetraethyl lead, or certain pharmaceuticals) the exportation of which is subject to export controls. Foreign Funds Control will deny.

B. The following categories of merchandise, whether or not subject to export control: (1) Wood Pulp, (2) Metals and Manufactures, (3) Machinery and Vehicles, (4) Rubber and Manufactures, (5) Chemicals and Related Products (except certain products, such as pharmaceutical preparations, etc., to be specified after further study; to be used for pharmaceutical purposes in Japan). Foreign Funds Control will deny.

C. Petroleum Products and tetraethyl lead. Foreign Funds Control will deny except where an export license has been issued.

²³ Not printed.

D. Cotton. There are pending before the Foreign Funds Control 10 applications covering the export of 27,500 bales of cotton to Japan, the value of which is approximately \$2,000,000. It is stated in the letter addressed by the Under Secretary of State to the President under date of July 31, 1941, that raw cotton exports to Japan have averaged about \$600,000 per month in the first six months of 1941, as against slightly over \$4,000,000 per month average in 1938. A memorandum is being prepared by the Treasury Department discussing exports of cotton to Japan and making recommendations with respect to the licensing thereof. No action is being taken by the Foreign Funds Control with respect to the pending applications referred to above until a decision is reached as to what quantities of cotton are to be licensed, on a monthly or other basis, for export to Japan.

E. All other merchandise. There are pending before the Foreign Funds Control 15 applications covering the export to Japan of merchandise not included in the above categories. The total value of such merchandise is \$167,000. Such merchandise consists of fur waste and cuttings, pencil slats, fir lumber and spruce logs, and airplane spruce. The Treasury Department is preparing a memorandum with respect to the treatment to be accorded applications of this type. Some of such merchandise, for example airplane spruce, although not subject to export control, may have a strategic value to Japan. No action will be taken on cases in category E pending a policy determination.

2. A memorandum is being prepared in the Treasury Department indicating the amounts of unblocked funds available to Japan for purchases in this Hemisphere, and discussing whether licenses issued under the freezing order covering exports to Japan should permit any payment from blocked Japanese accounts so long as it appears that unblocked funds are available to finance such transactions.

3. Attention is directed to the fact that the Foreign Funds Control is holding without action a group of applications involving exports from Latin America to Japan, to be financed by means of debits to blocked Japanese accounts in the United States. A list of some of the pending applications has been furnished to the State Department. No action will be taken on cases in this category pending a policy determination.

4. It should be noted that the following general licenses have been issued on the freezing control order :

(a) General License No. 56 relating to trade between the United States and any part of China other than Manchuria.

(b) General License No. 64 relating to trade between the Philippine Islands and China, and trade between the Philippine Islands and Japan.

It should be noted that insofar as Foreign Funds Control is concerned, merchandise may be exported pursuant to the terms and conditions

of the above General Licenses, and accordingly will not require individual licenses from the Treasury Department.

840.51 Frozen Credits/2901a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 7, 1941—6 p. m.

478. The Department desires that you call at the Japanese Foreign Office and leave an *aide-mémoire* reading substantially as follows:

"With reference to Executive Order 8389, as amended,²⁴ which, among other things, prohibits banks and banking institutions from making transfers of credits or permitting withdrawals from accounts in which Japan or nationals thereof have an interest, except under licenses and regulations issued by the Secretary of the Treasury, the following procedure is provided in order that appropriate consideration may be given for the issuance of requisite licenses permitting the Japanese Government to withdraw funds for the maintenance of its diplomatic, consular, and other official establishments in the United States and permitting the official personnel of such establishments to withdraw funds for living and traveling expenses in the United States. The procedure outlined below is conditioned upon the Japanese Government according reciprocal treatment.

A. In order that appropriate consideration may be given to the issuance of the aforementioned licenses, the Japanese Government is requested to furnish this Government with a list of the various official accounts of the official Japanese representation in Washington, whether in the name of the representation, any individual, or otherwise, indicating the name of the account, the name and address of the bank in which each such account is maintained, the names, addresses, and official positions of the persons having signing authority over the account, the nature of the payments customarily made from the account, and the nature, purpose, and amount of the monthly payments which it is desired to make from each account. The Japanese Government is also requested to furnish this Government with information as to how it is proposed to replenish such accounts, indicating the source of the funds to be used in replenishing such accounts, and the amount of funds which it is desired to transfer to each such account monthly. The Japanese Government is requested, moreover, to furnish assurances to this Government that any payments which may be licensed from such accounts will be made solely for the official expenditures of the Japanese representation in the United States. Banks maintaining these accounts will be required to make appropriate reports to the Treasury Department.

B. Information and assurances similar to those requested in Paragraph A above should be furnished by the Japanese Government with respect to each account maintained by the Japanese Consulates and Consulates General in the United States, as well as by all other official establishments maintained by the Japanese Government in the United States.

²⁴ 6 *Federal Register* 2897.

C. The Japanese Government is requested to furnish this Government with a list of the personnel of the official Japanese representation in Washington, as well as a list of the personnel of the Japanese Consulates, Consulates General, and other official establishments in the United States, indicating in each case the name of the personal account or accounts maintained by each such person and the name and address of the bank in which each such account is maintained. At present, under General License No. 11, \$500 per month may be paid out without any further license for living and traveling expenses in the United States of the person in whose name the account is maintained and his family. Accordingly, it is not anticipated that licenses will be issued in those cases in which the accounts can operate within the provisions of General License No. 11. Should additional amounts be required, consideration will be given to the issuance of licenses allowing withdrawals of such additional amounts. The Japanese Government is requested at the time of furnishing the list to furnish assurances that such accounts contain only personal funds, that such funds will be used only for the personal expenses of the account holder and his family within the United States, and that this Government will promptly be advised in the event that the account holder leaves the United States or ceases to be connected with the Mission."

At the same time that you leave the foregoing *aide-mémoire* the Department desires that you make an oral statement, leaving a copy thereof with the Foreign Office, reading substantially as follows:

"This Government wishes it understood that by 'reciprocal treatment' there is meant reciprocal treatment in all areas under the control of the Japanese Government so as to permit this Government to withdraw funds for the maintenance of its diplomatic, consular and other official establishments in Japan, Manchuria and all areas occupied by Japanese forces, and to permit the official personnel of such establishments to withdraw funds for living and traveling expenses in Japan, Manchuria and other areas under Japanese control."

HULL

741.94/499 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, August 14, 1941—4 p. m.
[Received August 14—7:50 a. m.]

1236. This telegram refers to Embassy's No. 1235, August 14, 3 p. m.²⁵ sent air mail to Shanghai reporting in full the British Ambassador's interview with the Japanese Foreign Minister²⁶ on August 11.

In summarizing his conclusion and impressions of his interview with the Foreign Minister my British colleague in a telegram dated August 12 reported to the Foreign Office in London:

²⁵ Not printed.

²⁶ Adm. Teijiro Toyoda.

“1. That as a result of his interview with Admiral Toyoda and a brief conversation which he had held immediately prior thereto with the Minister's interpreter he was convinced that Admiral Toyoda remained reasonably well disposed towards Great Britain and was sincerely desirous insofar as the situation would permit of preventing a break with Great Britain.

2. That he was more than ever convinced that the policy of 'keeping Japan guessing' was a mistake under present conditions and that there was more to be gained by a frank and open discussion of mutual difficulties.

3. That it was significant that no mention was made throughout the entire interview of the United States.

4. That the Minister of Foreign Affairs made no complaint concerning the freezing of Japanese assets by Great Britain and confined his remarks in this regard to the dangers of further restriction of exports to Japan on the part of the Dutch East Indies.[”]

GREW

840.51 Frozen Credits/3302

*Memorandum of Conversation, by the Assistant Secretary of State
(Acheson)*

[WASHINGTON,] August 15, 1941.

Mr. Iguchi called upon me at his request. He stated that he wished to discuss the matter of paying for the petroleum products, licenses to export which had already been granted, some of which were still under consideration.

He said that he had had a conversation with Treasury officials and had pointed out to them that the suggestion which they and I had previously made, that the cargoes be paid for by cash which had been withdrawn prior to the freezing order by the Japanese Government through the Yokohama Specie Bank, was not feasible because the present purchasers were Mitsui and Mitsubishi, whereas the cash had been turned over to the Japanese Navy. I said that I supposed that the Japanese Navy had some interest in having the oil shipments proceed and that it was not clear to me for what other purpose the cash could be used by the Japanese Navy or why it was not possible to have it made available for this purpose. He said that he had found that difficult to explain to the Treasury and intimated in a somewhat obscure way that the Navy was not subject to the civil authorities and had rejected the idea.

He then suggested that perhaps payment might be effectuated by transfers of Chinese money in Shanghai into dollars. I said that I thought that this was not desirable. He then suggested the possibility of the Dutch unfreezing dollars in the East Indies. I pointed out to him that a much simpler method would be either to use the cash or to transfer dollars on deposit with South American Banks.

He said that he would look into the matter, discuss it with the managers of Mitsui and Mitsubishi who were to be with him this afternoon, and discuss the matter further with me.

Mr. Iguchi then asked me whether I had had an opportunity to discuss with the Secretary Mr. Iguchi's suggestion that commercial relations be continued between the two countries by our agreeing to receive some imports from Japan and permitting the proceeds of those imports to pay for some exports from America. I said that I had not had such an opportunity because the Secretary had been very occupied in the last few days, but that I doubted whether Mr. Iguchi's suggestion of silk as a desirable import would be met with favor in as much as it did not seem to be material of importance, and in these days we wished so far as possible to buy materials which were really needed. He asked me to consider the matter further, to talk with the Secretary about it, and suggested that we might point out any other imports which we would be willing to receive. He stated that this suggestion was his own and was not made by the authority of the Japanese Government, but that, if it met with favor, he would immediately take the matter up with Tokyo.

I suggested to Mr. Iguchi that there were in Japan considerable amounts of materials which had already been bought and paid for by Americans and were on their way to this country at the time of the freezing order, and which had subsequently been landed in Japan; that it might be an acceptable gesture of Japan's desire to continue commercial relations if these shipments were brought to this country. He said that he would give this suggestion consideration and added that if a ship should be available to bring them it might also bring American citizens who wished to return to this country. He said again that he was most anxious to see relations continued by some movement of vessels.

DEAN ACHESON

811.20 (D) Regulations/4148½

Memorandum by the Assistant Secretary of State (Acheson) to the Under Secretary of State (Welles)

[WASHINGTON,] August 16, 1941.

STATUS OF TRADE WITH JAPAN AND JAPANESE CONTROLLED TERRITORY
SINCE THE FREEZING ORDER

Imports.

The only substantial imports which have arrived were those on the *Tatuta Maru* which were discharged as a result of the libel suits. Similar action occurred on a smaller vessel at Seattle. So far as I

know the goods are still in Customs custody. No applications for payment have been made.

Although imports are permissible from occupied China, other than Manchuria, few, if any, have arrived due to the action of the Japanese authorities in holding up their ships.

A problem exists regarding goods consigned to the United States and paid for by American purchasers which were unloaded from Japanese ships in Japan. Considerable pressure is being exerted by the purchasers to have these goods sent. Minor problems exist about complete payments which have been made by the purchasers but have not been released to the seller. In the absence of further deterioration of relations with Japan, it may be that some action will have to be taken regarding these goods.

Exports.

Exports from the Philippines are continuing, subject to existing export controls. The principal item here is iron ore. Freezing controls have not been used to further restrict trade from the Philippines.

Exports to occupied China, other than Manchuria, continue under a general license. Some goods have gone forward but the volume is small due to the absence of Japanese ships.

Exports to Japan proper.

Small cargoes were authorized for the *Tatuta Maru* and a ship in Seattle. The cargo consists of low-grade lubricating oil, cocoa beans, cotton and asphalt.

The Treasury continues to license freely bunkers and supplies for Japanese ships.

So far as cargoes other than the two mentioned are concerned, the situation is as follows:

Petroleum products. Export applications have been filed for a total amount of \$2,111,412, consisting principally of crude oil and Diesel oil with some lubricating oil. On these, licenses have been granted in the amount of \$178,650. Licenses have been rejected, because the material was above the permitted specifications, in the amount of \$729,910. The remainder are pending.

To pay for the amounts of the granted licenses the Japanese have filed applications under the freezing order. The Treasury has stated to them that in view of the fact that the Japanese Government and Japanese banks are known to have in this country between \$1,000,000 and \$3,000,000 and have in South America dollar balances upward of \$6,000,000, it does not seem necessary to release frozen funds to pay for these shipments. The Japanese reply that the funds have been turned over to the Japanese Navy which refuses to release them. As the matter stands they are taking it up again with the Japanese Naval

authorities and are considering using their South American dollar balances. A further memorandum on petroleum is attached ²⁷ which recommends a reduction in the permissible exports of crude and Diesel oil to bring those items into line with the permissible exports of gasoline and lubricating oil. The British have pressed us to control strictly the export of Diesel. The memorandum also advocates our insistence that the Japanese use American currency which they have and their dollar balances in South America before any frozen dollars are released.

In Mr. Welles's letter to the President,²⁸ which the President approved, is reported that average monthly shipments in 1941 has been \$600,000. Applications have been filed for over \$2,000,000 since the freezing order. It is recommended that a monthly quota of \$600,000 be permitted and that this should be paid for by currency or South American balances.

Applications for general merchandise (not now subject to export control) have been filed under the freezing order in the amount of \$150,000. These consist principally of fur scrap for Manchuria and spruce, probably for airplane construction. General Maxwell is considering adding fur scrap to the export control list. No action has been taken upon these applications pending a decision as to (a) whether the materials have any strategic value to Japan, and (b) whether payment shall be permitted by release of frozen funds or whether it shall be in currency or South American balances.

In addition to the above applications have been filed to release frozen dollars to pay for exports from South America. The applications cover either cotton from countries in which Japanese already have dollar balances or are strategic materials which we are attempting to purchase. These applications have been denied.

DEAN ACHESON

800.8890/8534

*Memorandum of Conversation, by the Assistant Secretary of State
(Acheson)*

[WASHINGTON,] August 18, 1941.

Mr. Iguchi called on me at his request. He referred to the situation which we had discussed at our last meeting, of the property consigned to American citizens and already paid for by them which had been

²⁷ Not printed.

²⁸ July 31, p. 846.

landed and was being held in Japan. He stated that he had received by cable from Japan the following figures of such shipments.

Copra	1,000	tons
Copra waste	1,445	"
Coconut oil	1,071	"
Chrome iron ore	3,600	"
Sugar	5,000	"
Rattan products	976	"
Miscellaneous charges	6	"
	<hr/>	
Total	13,098	"

Mr. Iguchi stated that he did not know whether or not this list was complete. He said that the Japanese Government would be prepared to send this cargo to the United States on a Japanese ship, together with American passengers who wished to return home, and mail, provided this government would reciprocate. I asked him whether he meant by that that we were holding in this country property which had been paid for by Japanese purchasers and the exportation of which was permitted by our export control regulations. He said that he so understood and believed that included among such products were some petroleum products. He stated that the Japanese Commercial Attaché²⁹ would return from New York this afternoon with such a list which Mr. Iguchi would give to me tomorrow.

Mr. Iguchi asked whether the proposal was acceptable in principle to this government. I stated that I had no authority to reply to this question but that when all the facts were ascertained I would present the matter to the Secretary of State for his decision. I added that in the meantime I would attempt to find out whether there were any other shipments in Japan of the category referred to which were not included in Mr. Iguchi's list.

I then called Mr. Iguchi's attention to the fact that although this government had from the very beginning of the freezing been very generous in making withdrawals possible for residents of Japan, the Japanese Government had not done the same for American residents. Mr. Iguchi said that the Financial Attaché³⁰ and himself had already cabled several times to Japan and hope to remedy the matter immediately. I replied that I trusted that this would be done since he had repeatedly stated that the Japanese Government would act reciprocally on all freezing matters.

I asked Mr. Iguchi whether he was making progress on furnishing us with the information necessary for the release of diplomatic ac-

²⁹ Toyoji Inouye.

³⁰ Tsutomu Nishiyama.

counts. He replied that he hoped to be able to do this within a few days.³¹

DEAN ACHESON

894.24/1586

The First Secretary of the British Embassy (Thorold) to Mr. T. K. Finletter, Special Assistant to the Secretary of State

WASHINGTON, August 21, 1941.

MY DEAR FINLETTER: Thank you for your letter of August 19th³² regarding shipments of Manganese to Japan.

The position, in what you may term the pre-crisis period, was that exports of Manganese to Japan from India were restricted to 10,000 tons a month, which was approximately 80% of normal trade, and from Malaya to 1,700 tons a month, being about 60% of normal trade. The first stage in further restrictions was to reduce these quotas by 50%, and this no doubt accounts for the figure of 5,000 tons per month which you quote in your letter as having been the figure for exports from India.

Now, however, a further step has been taken under which no Export Licenses will be granted for any commodities from the Empire to Japan except in special cases where funds have become available as a result of permitted imports from Japan of commodities of particular value for our war purposes. Even so, licenses will only be granted for goods of least essential value to Japan. As a result of this we understand that no licenses for Manganese are now being granted for shipments to Japan, and if, in fact, 1,000 tons has been exported, as quoted in your letter, I think it may be taken that this had been in respect of a contract already made and paid for before the freezing regulations were brought in.

As far as Malaya is concerned, there are some added difficulties, in view of the fact that the mines are Japanese-owned and the position is somewhat the same as in the case of exports of iron ore from the Philippines. It is the intention to reduce these Manganese exports from Malaya as far as possible, but we have not yet received information as to the exact position at the moment.

I hope to be able to give you more precise details in both these cases before long but, in the meantime, you may take it little or no Manganese is at present being exported from India to Japan.

Yours sincerely,

GUY THOROLD

³¹ This information was supplied to the Department on August 23.

³² Not found in Department files.

394.1115/64 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, August 22, 1941—5 p. m.
[Received August 22—12: 25 p. m.]

1289. Department's 504, August 15, 5 p. m.³³ and previous correspondence relating to freezing orders in the United States and Japan. Today I requested an interview with [the] Foreign Minister and, first observing that to date we have received no replies to any of our representations in connection with the subject under reference, including our *aide-mémoire* dated August 9, 1941,³⁴ I set forth to him orally and also in a first-person note and accompanying memorandum in general and in detail the serious disparity existing in the treatment accorded to American Government officials and other American nationals residing in Japan and the treatment accorded to Japanese Government officials and other Japanese nationals residing in the United States under the freezing orders in both countries. I pointed out to the Minister that the American freezing orders were not intended to and does not in practice work undue hardship to Japanese nationals in the United States whereas the application of the Japanese freezing orders is working the most drastic hardship to American nationals in Japan.

The American freezing orders in effect works along lines similar to the restrictions and handicaps which American business and trade and commerce have encountered in Japan and in Japanese occupied areas during the last several years. Japan, on the other hand, has evidently interpreted its own freezing orders as aimed both in theory and practice at severely restricting the normal activities and both official and personal privileges of American citizens residing in Japan to an extent which has worked and is still working the greatest unreasonable hardship. The result has been and is an almost complete cessation of financial and business activities on the part of American individuals and firms here and represents utter disparity in treatment. I urged the Minister with the greatest emphasis to take such prompt steps with a view to placing the treatment of our respective nationals on a basis more nearly reciprocal than that formerly existing. I pointed out that the foundation of international relations is reciprocity and I did not fail to indicate that in the absence of favorable results in this respect my Government would obviously have no alternative but to consider such measures as might be necessary to establish reciprocal treatment.

The Minister received my representations in his usual sympathetic way and expressed his regret at the situation which I had described

³³ Not printed.

³⁴ For text, see telegram No. 478, August 7, 6 p. m., to the Ambassador in Japan, p. 855.

to him. He said that he would do his best to place these matters on a basis of reciprocity.

GREW

811.20 (D) Regulations/4198a : Telegram

The Secretary of State to the Consul General at Shanghai (Lockhart)

WASHINGTON, August 23, 1941—1 p. m.

578. The British Purchasing Commission is now presenting to the Department applications for license to export materials to Shanghai, bearing a stamp to the effect that "The material in this application has been approved by both U. S. and British Consular and Embassy officials in Shanghai, China, and is therefore endorsed." The British Embassy in Washington states that British officials in Shanghai have been instructed to recommend no shipments from the United States to Shanghai without your prior concurrence. Have you arrived at any understanding with the British Embassy in Shanghai in regard to this matter? The Department wishes in any case that you continue to make your own recommendations by telegraph to the Department.

HULL

811.20 (D) Regulations/3950 : Telegram

The Secretary of State to the Consul General at Shanghai (Lockhart)

WASHINGTON, August 25, 1941—11 p. m.

582. The Department has carefully considered your despatch no. 581 of June 23, 1941, in which *inter alia* you describe ways in which considerable quantities of American exports to the Shanghai area are likely to reach undesirable destinations. In the light of that despatch and in view of shortages that have developed in this country in many commodities and products, the Department has decided in general to recommend to the Administrator of Export Control the issuance of export licenses for Shanghai only when the proposed shipment appears vital to the preservation of physical properties owned and operated by American or British citizens, where the shipment has some connection with the operation of local public utilities or with public health, or where the quantities involved are insignificant. The applications referred to in the following telegrams will therefore be rejected:

[Here follow details.]

HULL

811.20 Defense (M)/3085a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 28, 1941—8 p. m.

546. The following account of developments in the American silk industry since the application to Japan of the freezing order is given for your information.

The Office of Production Management on July 26 ordered the freezing of all stocks of raw silk in warehouses, the limitation of processing, and the imposition of a ceiling on raw silk prices, and requested the suspension of trading in silk futures in the New York Commodity Exchange. On August 1 OPM issued a further order prohibiting all processing of raw silk after midnight August 2 unless specifically authorized by the priorities' director, explaining that the Army and Navy needed the total reserves of silk in the country.

On July 29 representatives of importers, dealers, brokers, processors and manufacturers met at the Office of Price Administration and Civilian Supply to take stock of the situation. At this meeting it was determined that the supply of processed silk and finished silk products is sufficient for normal requirements over five months. During the first two weeks in August conferences took place between representatives of the Government and representatives of the silk hosiery, silk throwing and rayon manufacturing industries as well as representatives of workers and employers in silk-using industries other than the hosiery industry. At these conferences the use of substitutes for silk was discussed and reports heard on the available and future supply of such substitutes. The consensus of the hosiery industry, which normally consumes 93 percent of raw silk imports, as brought out at the conferences, is that certain rayons, of which large amounts of the right denier are produced, are suitable for hosiery manufacture, and that while there will be initial shortages, brief shut-downs due to experimentation, and temporary deterioration in quality while shifting to rayon, the adjustment will present no serious difficulty to the industry or undue hardship to consumers. It was also brought out that production of nylon, now furnishing 16 percent of the material for the hosiery industry, will be doubled by middle 1942 and further materially increased in 1943. The weaving industry also indicated at the conferences that it can shift to rayon, although, with the hosiery industry requiring so much more of the output of types of rayon yarn used by the weaving industry, it expects that it will experience difficulty in getting even its normal requirements of rayon let alone additional amounts to take the place of silk. To solve this difficulty, recommendations were made that available types of rayon yarn not

suitable for hosiery be substituted for silk. The problem of substitute raw material was shown to be most acute in the case of the minor industries, but proposals to relieve these industries too were put forward.

A plaintive note over the interruption of silk imports was heard only once during the conferences, when Mr. Levy, saying he represented 175,000 workers depending on silk for their livelihood, in the course of the July 29 meeting stated that the average plant employing such workers would cease to operate in 10 weeks unless more silk were imported. With this single exception further supplies of raw silk were not even mentioned and the proceedings were devoted entirely to adjusting affected American economy to a silkless state. In fact the opinion was current that in 2 years silk will hardly be missed in this country primarily because of the increased production of nylon.³⁵

In this connection it may be mentioned that there was a run on silk hosiery for a few days after the freezing of raw silk stocks, but that it has subsided to a considerable degree. Available information indicates that the prospect of early exhaustion of silk stockings and fabrics has been viewed very calmly if not indifferently by American women.

Sent to Tokyo via Shanghai. Repeated to Peiping and Chungking.
HULL

811.20 (D) Regulations/4317 : Telegram

The Consul General at Shanghai (Lockhart) to the Secretary of State

SHANGHAI, August 29, 1941—5 p. m.

[Received 10 p. m.]

1186. Referring to Department's telegram 461 of July 23 and 578 of August 23, 1 p. m., a tentative agreement has been in force in which concurrence both by the British Commercial Counselor and this office was to be reached before applications by British companies were to be recommended but the understanding did not involve any cessation by this office in telegraphing its recommendations in each case, a practice which will be continued in accordance with the Department's instructions. About 30 old and new applications are now being jointly considered by the two offices but most of them will doubtless

³⁵ William R. Langdon, of the Division of Far Eastern Affairs, made this comment in a memorandum dated August 22: "The future of the great Japanese raw silk industry, with this country making every preparation to get along without silk, and also of our trade with Japan, with perhaps this important commodity absent from it after normal relations are resumed, is interesting to speculate upon."

be rejected in light of the policies set forth in the Department's 582 of August 25, 11 p. m., just received.

LOCKHART

894.24/1605

The Financial Counselor of the British Embassy (Stopford) to the Assistant Secretary of State (Acheson)

WASHINGTON, August 30, 1941.

DEAR MR. ACHESON: In Mr. Hall's absence I am writing to give you some information which we have received from London upon our policy with regard to China.

It has been decided that to prevent the Japanese benefiting from our exports to occupied China, it is necessary to control by licensing all exports to China except those going via the Burma Road. To avoid injury to legitimate Chinese interests pending the making of detailed arrangements, it is intended to grant licenses freely within the limits of normal trade for exports other than—

- (a) those not available for supply reasons
- (b) those contained in the annexed list which has been called the "Nil List",³⁶
- (c) any specific consignments where there are strong reasons for refusing on grounds of economic warfare.

Action on the above lines is being taken forthwith by the United Kingdom and the Colonies. India, Burma and the Dominions are being invited to take similar action. The Government of Hong Kong, however, is being given some latitude in the application of the above-mentioned policy.

It will be appreciated that although the same export licensing machinery is being used both for China and Japan it is intended to apply the machinery to China in accordance with the principles of giving assistance to China, which has already been declared.

It is intended to tighten up the procedure mentioned above without injury to friendly interests. It is proposed to collect as much information as possible about the trustworthiness of the individual consignees so that exports may be confined to those of which, so far as may be judged, the potential advantages to free China are likely to outweigh the danger of leakage to Japan. In particular, it is intended to take advantage of the advice of friendly banks in Shanghai who are being asked to avoid (where possible in conformity with the policy of U. S. banks) any financial transactions likely to benefit Japan. In the interim period until the necessary administration ma-

³⁶ Not printed.

chinery can be organized, we propose that Empire Governments will issue licenses without reference in cases where the danger of leakage to Japan does not seem to be over-riding and where delay must be avoided in order to prevent trade being brought to a standstill.

In addition to the consignee control on the lines mentioned above, it is suggested that it may be desirable to super-impose quantitative control of exports of particular commodities. Trade in such goods is to be separately examined in the light of the quantities generally required by reliable consignees, and their value to Japan if they were seized.

The arrangements mentioned in this letter do not apply to petroleum products.

I am sending a copy of this letter to Mr. Cochran³⁷ for his information.

Yours sincerely,

R. J. STOPFORD

840.51 Frozen Credits/3650

Memorandum of Conversation, by the Assistant Secretary of State (Acheson)

[WASHINGTON,] September 5, 1941.

In accordance with the instruction of the Secretary, given at a meeting which Dr. Hornbeck, Mr. Yost and myself were present with him, I telephoned to Mr. Towson of the Treasury Department, Foreign Funds Control Division, to inquire exactly what had been said between him and Mr. Nishiyama yesterday regarding the provision of free funds by the Japanese for the purchase of oil. Mr. Towson said that Mr. Nishiyama had called to state that he was endeavoring to have funds transferred from South America to the United States to pay for oil for the two tankers now in San Francisco and requested the Treasury not to do anything on the matter until Mr. Nishiyama had proceeded further. Mr. Towson said that he did not know what Mr. Nishiyama thought that the Treasury might do.

Mr. Nishiyama also stated that it might take two or three weeks to arrange the transfer and he wished to know whether if the funds could be made available the Treasury would grant the necessary licenses to permit their transfer to this country and their use in payment for the oil. Mr. Towson had replied to Mr. Nishiyama that each application would have to be considered upon the relevant facts of the particular case. Mr. Nishiyama said that he would continue to work on the matter and would discuss it further with the Treasury.

³⁷H. Merle Cochran, Technical Assistant to the Secretary of the Treasury (Morgenthau).

Mr. Nishiyama then raised the question of the funds for the New York Branch of the Yokohama Specie Bank. It developed that shortly before the freezing order went into effect the bank cancelled instructions which had been outstanding requiring its branches in South America to collect for imports from Japan to South America and to deposit the proceeds in New York. The result was that there was a possibility that the obligations of the New York Branch exceeded its assets. The Treasury stated that this was a matter that would have to be investigated carefully and that it might affect the granting of licenses to transfer [funds] from South America to be used in payment for oil. In other words, if the funds in South America properly belonged to the New York Branch, it was doubtful whether the Treasury would permit them to be transferred to the United States for other purposes.

After learning of this conversation I told Mr. Towson that the Secretary wished us to refer Mr. Iguchi and Mr. Nishiyama to him so that they might continue the discussion as to the propriety of granting a license to transfer South American funds to the United States. He said that he would be glad to continue the discussions and that it appeared from the complexity of the situation that no decision would be reached for some time.

DEAN ACHESON

840.51 Frozen Credits/3714.

Memorandum by Mr. Edward G. Miller, Jr., of the Foreign Funds Control Division, to the Assistant Secretary of State (Acheson)

[WASHINGTON,] September 5, 1941.

Mr. Nisiyama, Financial Attaché of the Japanese Embassy, came in to Foreign Funds Control at 3.30 this afternoon and conferred with Messrs. Towson and Fox of the Treasury Department, and the undersigned. Referring to the question of payment by the Japanese for pending shipment of oil from this country to Japan, Mr. Nisiyama stated that he had been advised by the State Department that the Treasury Department wished to ask him certain questions with respect to the proposed method to be employed by the Japanese in effecting the payments. Mr. Towson referred to conversations which he had had with Mr. Nisiyama yesterday and stated that in the event that the Japanese were able to obtain the transfer of dollar assets from South America into this country to be used in payment for the oil, the Treasury Department would be interested in considering an application for a license permitting such funds to be applied to the payment, but that until Mr. Nisiyama had made the arrangements

for the transfer of the funds to this country and was in a position to set forth in an application all the relevant facts, the Treasury would be in no position to express an opinion on this subject. Mr. Nisiyama asked Mr. Towson whether he would be able to express an opinion based on a hypothetical set of facts involving the assumption that the Japanese were able to arrange with various foreign exchange controls in South America for the transfer to this country of funds sufficient in the aggregate to pay for pending oil shipments. Mr. Towson repeated that until a concrete case were submitted to the Treasury in the form of an application he could express no opinion. Mr. Nisiyama then stated that he assumed from Mr. Towson's remarks that the Treasury Department would be interested in the source of the funds, and the manner in which they had been accumulated in South America. Mr. Towson agreed that the Treasury would wish to consider these matters very carefully when an application was submitted.

Mr. Nisiyama then stated that he would continue his efforts to arrange for the transfer of funds to this country before making an application, and that he hoped that within a few days he would be in a position to make application for a Treasury license.

E. G. MILLER

840.51 Frozen Credits/3253 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 5, 1941—11 p. m.

565. Reference your 1326, 1327, 1328 and 1329, August 28,³⁸ in regard to reciprocal allowances for official establishments and personnel. It is desired that you call at the Japanese Foreign Office and leave an *aide-mémoire* along lines as follows:

"The Government of the United States refers to the Japanese Government's *aide-mémoire* of August 26 with accompanying addendum and oral statement, and, with regard to the Japanese Government's proposals, offers comment as follows:

The procedure suggested in this Government's *aide-mémoire* of August 9³⁹ for making available funds for Japanese official establishments and personnel in the United States is similar to that which has been provided with respect to the official establishments and personnel of other countries whose funds have been blocked in the

³⁸ None printed; they transmitted texts of Japanese Government's *aide-mémoire* of August 26, and of accompanying addendum and oral statement, and requested instructions as to reply.

³⁹ See telegram No. 478, August 7, 6 p. m., to the Ambassador in Japan, p. 855.

United States under similar circumstances and conditions. This procedure has been in general accepted by the other countries concerned. This Government would prefer, therefore, to proceed in the matter of reciprocal allowances along the general lines suggested in its *aide-mémoire* of August 9.

With reference to the numbered amendments suggested in the addendum to the Japanese Government's *aide-mémoire*, reply is made as follows:

1. The practice already established by this Government in connection with allowances for official establishments and personnel and in force on a reciprocal basis with other countries under similar circumstances provides that estimates in regard to desired payments from official accounts be broken down on a monthly basis rather than on a quarterly basis. It is a matter of considerable convenience to this Government, therefore, that the monthly basis for such estimates be maintained in so far as Japan is concerned. However, this Government agrees that payments from official accounts should include all normal expenses, including items such as communication charges, wages for employees, rent, entertainment and other running expenses, and that the various items may be combined in a total monthly estimate for which permission may be requested.

2. In as much as funds to replenish the official accounts of Japanese official establishments would in all probability be transferred from time to time from various blocked accounts to official accounts, it would not be possible to grant general license covering such monthly transfers. However, this Government is prepared to license promptly appropriate monthly replenishments for official accounts.

3. This Government is agreeable to the suggestion that permission should be granted reciprocally for the remittances described in paragraph 3 provided the remittances in question are made by credit of the dollar amount of such remittances to a blocked account.

4. The Japanese Government's specific suggestions with regard to the maximum amounts which may be allowed American officials in Japan and Japanese officials in the United States without specific license are acceptable to this Government. Those maximum amounts are as follows: for ambassadors, 2,000 dollars per month or its equivalent; for counselors and military and naval attachés, 1,500 dollars per month or its equivalent; for finance commissioners or first secretaries, 1,000 dollars per month or its equivalent; for officials of the rank of consul or second secretary, 750 dollars per month or its equivalent; for all other official personnel 1,500 yen per month for American officials in Japan and 500 dollars per month for Japanese official personnel in the United States. It is assumed that by the term 'or its equivalent' is meant the equivalent in yen at the official rate of exchange of the dollar sums referred to above. If sums in excess of the foregoing are needed specific applications may be made in each case.

5. No objection is perceived by this Government to the direct remittance by the Japanese Foreign Office through the Yokohama Specie Bank of the salaries of the officials of the Japanese Embassy and consulates above the rank of 'Chancellor'. A blanket monthly license may be issued to the Yokohama Specie Bank for such a purpose upon

the receipt from the Japanese Embassy in Washington of a list of Japanese officials above the rank of 'Chancellor' in the United States."

At the same time that you leave the foregoing *aide-mémoire*, the Department desires that you make an oral statement, leaving a written record thereof at the Foreign Office, substantially as follows:

"As between the inclusion of Manchuria and the areas of China occupied by Japanese forces in any agreement which may be reached between my Government and the Government of Japan in regard to the matter of reciprocal allowances for official establishments and official personnel, and 'mediation' on this subject by the Japanese Government with the regimes in Manchuria and the occupied areas of China, the Government of the United States has no preference so long as the desired result is accomplished without delay, namely the extension of any arrangements which may be arrived at for the treatment of official American establishments and personnel in Japan to official American establishments and personnel in Manchuria and occupied areas of China. The Government of the United States would appreciate receiving from the Japanese Government assurances that the treatment of official American establishments and personnel which the Japanese Government may agree upon shall in fact be so extended.

The Government of the United States cannot undertake to 'approve the settlement in dollar exchange at New York of remittances from the Imperial Japanese Ministry of Foreign Affairs to Japanese governmental establishments in Central and South America and in the several countries of Europe' or to endeavor to take any active steps, as the Japanese Government suggests, 'to prevent the creation of a situation which would hinder the use of the funds of those establishments and their personnel'.

Immediately following the blocking of Japanese balances in the United States the Government of the United States took prompt action to avoid embarrassment of Japanese nationals in the United States, including official personnel, and in a further endeavor to relieve official establishments and personnel from embarrassment drew up a suggested procedure which was contained in this Government's *aide-mémoire* of August 9. Meanwhile, the Japanese Government has applied exceedingly onerous regulations to all American nationals, including American official personnel and official establishments, and these onerous regulations are maintained in full force today. No American Government official in the Japanese Empire has been able either to draw upon his yen balances from any bank in the Empire or to cash and convert any dollar or foreign checks since July 26. Under the circumstances therefore this Government is not prepared or disposed to carry on protracted negotiations in regard to the details of the procedure for making reciprocal allowances. American official personnel and establishments in Japan are in exceedingly straitened circumstances as a result of their inability to obtain funds for carrying on their functions and unless some provision is made for their needs in the immediate future the Government of the United States will have no alternative but to accord to Japanese official establishments and personnel in the United States treatment which will be not more

favorable than that now being accorded American official establishments and personnel in Japan and in areas under Japanese control.”

HULL

840.51 Frozen Credits/3387 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, September 8, 1941—7 p. m.
[Received September 8—9:10 a. m.]

1425. Department's 565, September 5, 11 a. m. [*p. m.*] The Embassy recommends that the following paragraph be added to the *aide-mémoire* to be left with the Foreign Office :

“As it has been the practice of many of the American official establishments and American officials in the Japanese Empire to maintain official and personal balances with, and to conduct other financial transactions through, the National City Bank of New York, and in view of the fact that the Japanese Government has specified the Yokosuka Specia [*Yokohama Specie?*] Bank as the bank through which the salaries of the Japanese Government officials is to be remitted and that the American Government perceives no objection thereto, it is assumed that the Japanese Government will equally perceive no objection of granting to the National City Bank of New York, the necessary permits to enable it to handle the financial transactions of the American official establishments and American officials in Japan.

An expression of the assent of the Japanese Government of the foregoing would be appreciated.”

The Department's instructions are requested.⁴⁰

GREW

840.51 Frozen Credits/3012

*The British Minister (Hall) to the Assistant Secretary of State
(Acheson)*

WASHINGTON, September 13, 1941.

DEAR MR. ACHESON: As a result of further exchanges of telegrams with London I am now able to add to the information contained in my letter of August 12th⁴¹ under the heading of “The Freezing Order and Japan”, and I am at the same time instructed to make certain concrete suggestions for parallel action with regard to a number of important commodities:

⁴⁰ In its telegram No. 572, September 8, 7 p. m., the Department approved the Ambassador's proposed addition to the *aide-mémoire*.

⁴¹ Not printed.

1. *Bauxite:*

The British Government is of the opinion that exports of Bauxite from Malaya to Japan should no longer be permitted and the High Commissioner is being asked to take appropriate action, unless he believes that it would cause grave economic difficulties in Malaya. We are to be informed of the eventual decision.

2. *Manganese:*

The British Government is also of the opinion that exports of Manganese from Malaya to Japan should cease and I understand that the Dutch take a similar view with regard to exports from N. E. I. Exports from Malaya are at present at the rate of about 10,000 tons per annum (about 50% of normal) and, as you know, Manganese ores and concentrates of less than 35% Manganese are not subject to Export License from the Philippines or the United States. I am asked to enquire whether the U. S. Government would discontinue the export of low grade Manganese from the Philippines if exports are entirely prohibited from Malaya and N. E. I.

3. *Iron Ore:*

It is possible that exports of iron ore from Malaya may in any case cease as a result of the shutting down of Japanese-owned mines. The British Government is, however, prepared to prohibit exports from Malaya, but it might be found difficult to do so while limited exports are still being made from the Philippines. It is understood that the U. S. Government are considering further restrictions and I am instructed to ask if they will discontinue all exports from the Philippines if exports from Malaya are prohibited.

4. *Cotton:*

It is our objective to restrict exports from all parts of the Empire to Japan to the minimum level necessary to meet essential requirements from Japan and subject only to this desideratum the Government of India is prepared to restrict exports of cotton to any agreed level. In view, however, of the possible political effect in India it is undesirable that the Government of India should adopt restrictions more stringent than those adopted by the U. S. Government.

In these circumstances the Government of India has followed the action taken by the U. S. Government and has taken steps to limit to the 1940 level exports of cotton to Japan, Manchuria, Korea and Kwantung. Exports to the China coast, including Shanghai, are, pending fuller information as to China's requirements, restricted to 10,000 bales a month (approximately the 1940 level). The Government of Burma is adopting the same policy.

I am asked to emphasize, however, that as a result of increased imports of raw cotton from China, increased domestic use of artificial

fibres, and loss of foreign markets for textiles, Japan's requirements of India and U. S. cotton are considerably less than they were and could probably be met comfortably by imports from India and the U. S. even at the low 1940 level. The British Government is further of the opinion that failure to restrict Japan's cotton imports from sources under control to a level calculated to cause inconvenience to the Japanese Government would have a political effect on Japan which requires consideration and I am instructed to obtain the opinion of the U. S. Government on this point.

I understand, however, that pending further examination of this question and in order to facilitate joint action, the Government of India has offered to restrict exports of cotton to Japan in any month to the rupee equivalent of the amount covered by U. S. Treasury licenses granted in the previous month, if this figure can be made available and the suggestion is otherwise practicable.

5. *Essential Imports:*

You will recall that in paragraph two of my letter of August 12th I indicated the general intention to be to restrict exports to Japan from all Empire sources to the minimum necessary to cover essential imports. You will further recall that in my letter of September 1st ^{41a} I was authorized to inform you that the only import from Japan into the United Kingdom of which there is essential need, is some £60,000 worth of Magnesium. I have only to add that the question is under urgent examination, but that we are still awaiting information from some parts of the Empire as to what imports from Japan they consider as essential, and that it is hoped that a common standard will be agreed upon.

6. *Foodstuffs:*

I am informed that it is our intention to make no exception in the case of foodstuffs to our general policy with regard to exports to Japan, but that in selecting the exports with which we propose to pay for essential imports we shall place foodstuffs (excluding oil seeds) amongst the first exports to be so allowed. This is in line with our general purpose of restricting exports to Japan to those least essential to Japan.

7. *Eire:*

I am informed that exports direct from Eire to Japan are most improbable because of lack of shipping and exports for trans-shipment in the United Kingdom are controlled through United Kingdom Export Licenses. As a precautionary measure, however, the Eire authorities are asking Banks to refer to them proposals for transfer from Japanese accounts.

Yours sincerely,

NOEL F. HALL

^{41a} Not printed.

894.6363/388

Memorandum of Conversation, by Mr. Alger Hiss, Assistant to the Adviser on Political Relations (Hornbeck)

[WASHINGTON,] September 15, 1941.

Baron van Boetzelaer ⁴² called upon me at his request and said that the Legation had received a telegram raising some questions about our policy of granting export licenses for petroleum shipments to Japan while refusing to grant the necessary payment licenses for the same exports under the freezing regulations. He said that his Government had expressed a reluctance to adopt a similar practice for fear that it might lead to unnecessary misunderstanding with the Japanese. He explained that the Japanese might think that they were entitled to export shipments for which export licenses had been granted and would then feel unnecessarily irritated if they found that due to payment restrictions this was not the case.

I told Baron van Boetzelaer that as a matter of fact according to my understanding we had issued only three export licenses for permitted petroleum shipments and that thereafter in the course of conversations with representatives of the Japanese Embassy on the issue of payment it had been more or less mutually agreed that as a matter of practice we would no longer issue export licenses until the manner of payment for the particular shipments involved had been agreed to. I said that it seemed to me that if his Government preferred not to issue export licenses until all matters relating to the shipments under consideration had been clarified, there would be no divergence of fundamental policy from our practice. [In this connection we have been notified by the British Embassy that the British intend to make their export licenses the final act of control over all shipments to Japan. Messrs. Stopford and Dent have said that they understand this to mean that before an export license is granted all necessary payment requirements and shipping requirements will have been met.] ^{42a}

Baron van Boetzelaer went on to say that he felt the important point was that there be no *shipments* in fact without full understanding of the policy involved between his Government and the American Government. He said that the Netherlands Government had thus far refused to permit shipments on three tankers which have called at Indies ports and that one of these tankers sought diesel oil at Tarakan which was of a quality and quantity that placed it within any Netherlands quota that might be established as the equivalent of even the reduced quota for diesel oil which the United States has under consideration. This refusal had been based on the fact that we had not

⁴² Minister Counselor of the Netherland Legation.

^{42a} Brackets throughout this document appear in the original.

permitted exports of similar oil because of our financial requirements even though export licenses therefor had already been issued by us. [In connection with the Netherlands East Indies attitude on payment matters see note at end of this memorandum.]

Baron von Boetzelaer then said that he had further been informed that the Netherlands Indies Government, which as we had previously been informed considers that our quotas for crude oil, diesel oil and fuel oil are too high, is willing to reduce its comparable over-all quota for permitted exports of petroleum products from 800,000 tons (which he understood to be the 1935-1936 level) to 570,000 tons annually. He went on to say that in terms of specific commodities for the rest of the year 1941 this figure would mean 60,000 tons of low grade gasoline, 2,000 tons of kerosene, 40,000 tons of fuel oil, 30,000 tons of crude, and 40,000 tons of diesel oil.

Baron van Boetzelaer then said entirely on his own initiative that he believed that his Government would be prepared to cut off all exports of petroleum if the United States were to adopt a similar policy although he thought that such action would raise political questions for discussion between his Government and the American Government before the action was finally decided upon.

I told Baron van Boetzelaer that I would convey the information which he had supplied to Mr. Acheson and others in the Department interested in the matter. He said that he would like to call upon Mr. Acheson to discuss the question because his Government was anxious that a definite policy be arrived at as soon as possible. He said further, however, that he was trying to collect a good deal of other related information which he hoped to obtain within the next day or so and that it might be well for him to wait to see Mr. Acheson until this information had reached him. He said that this information related in part to the question of what imports into the Indies from Japan the Indies Government considered essential. He thought that only cotton textiles were involved but he was not in a position to say so definitively at this time. Nor could he at this time estimate the quantity and value involved. He also hoped to receive shortly from his Government information as to whether any official announcement of export policy had been communicated by the Indies Government to Japan in recent weeks. [We have been informed by Mr. Grew, see Tokyo's telegram number 1310, of August 26,⁴³ that the Dutch Indies authorities have recently expressed to the Japanese Consul General in strong terms their adherence to a policy of hereafter forbidding the exports of all oil to Japan unless Japan publicly declares that she does not intend to attack the Indies and unless Japan withdraws its troops from southern Indochina. According to Mr. Grew's informa-

⁴³ Vol. v, p. 281.

tion this statement was confirmed to General Pabst, the Netherlands Ambassador at Tokyo, by the Netherlands Government.] Finally Baron van Boetzelaer hopes to obtain more definite information than he has at present as to Dutch policy with respect to exports to Japan of other important commodities such as rubber and tin.

[NOTE: We have heard from a number of sources that the Indies Government wishes to cause the Japanese to use up their present blocked guilder balances in the Indies in order to be in a better position to require the Japanese to supply such articles as the Netherlands Indies find it necessary to import from Japan. In this connection it seems relevant to point out that, according to information received from the British Embassy, the Government of India, which also desires certain essential imports from Japan, has adopted a different policy in order to accomplish the same result. The Indian Government will not permit the use of blocked Japanese funds in India to pay for exports to Japan but requires fresh imports from Japan as a source of purchasing power for exports to Japan. It would seem that this policy is more likely to be effective in compelling the Japanese to supply needed imports than is the current Dutch policy and is at the same time less likely to appear to be at variance with our own freezing policy vis-à-vis exports to Japan.]

756D.94/187

*Dr. Henry F. Grady to the Secretary of State*⁴⁴

12TH CABLE REPORT

For Secretary Hull:

I have discussed in an hour's interview with the Governor General⁴⁵ and at great length with van Mook⁴⁶ on several occasions their views and policy with regard to economic measures against Japan. The views of both officials are identical. Thinking you would wish a summary of my conversations with these officials I give it herewith. This statement has been approved by the Governor General and by van Mook:—

With regard to exports to Japan the policy of the Netherlands Indies has twice undergone an important change.

Before the war the general complaint from our side was that the balance of trade with Japan tended to be more adverse every year. The exports, however, which we would specially like to see increased,

⁴⁴ Dr. Grady was President Roosevelt's personal representative on an economic survey of the Pacific area. Copy of this document was transmitted to the Department by the Consul General at Batavia (Foote) in his despatch No. 315, September 15; received September 27.

⁴⁵ Jonkheer A. W. L. Tjarda van Starkenborgh Stachouwer.

⁴⁶ H. J. van Mook, Director of the Economic Affairs Department, Netherlands East Indies.

happened to be those of non-strategic agricultural and forestry products like sugar, copra, coffee and timber.

After May 10th, 1940 the interest of Japan for our export products showed a sudden development in the direction of raw materials for industrial and military purposes like mineral oil, rubber, tin and various ores. After the conclusion of the tripartite pact in September 1940 the Japanese made additional demands for vegetable fats, fibres, tanning materials, etc., goods which were notoriously lacking in Germany.

The restrictive measures taken during that period by the N. E. I. government were based on three principles :

- a.* no export of goods needed for ourselves or for our allies;
- b.* no discrimination in favor of Japan and against other neutral countries;
- c.* no exports which would provide Japan with more than its normal requirements and thus enable it to furnish the enemy with those materials.

Although there was no embargo directed against Japan, the restrictions mentioned had to be strictly executed and therefore the quantities to be exported were generally calculated on a basis of the known consumption in Japan in former years; any recent increase of consumption could not, as a rule, be taken into consideration.

A complete embargo was not deemed advisable at that time; moreover it would not have been supported by a similar policy of the British Empire and the U. S. A.

When Japan moved south in Indo-China, this move was considered a direct threat against the N. E. I. Even if the U. S. A. and the British Empire had not promptly frozen the Japanese assets, we would have had to reconsider our position. As it was we immediately joined in this action, even though a clear system of co-operation had not yet been established.

The restriction of exports to Japan should be co-ordinated in such a way that

- a.* Japan will not be able to get from one country what is denied elsewhere;
- b.* the embargo effectively lowers the war potential of Japan.

The machinery for co-ordination is still rather rudimentary, especially as regards the contact and the exchange of information between the U. S. A. and the N. E. I. The alliance between the Netherlands and the British Empire, has, of course, gradually developed a closer co-operation. It would be advisable to develop a similar system of co-operation with regard to export controls both in Washington (with the Netherland legation) and in Batavia (with the U. S. A. consulate general).

The embargo itself should be specially directed towards the prevention of exports of goods, which can be used for military purposes. It should not be used as a method to starve or cripple the Japanese people, as this [is] not required to realize the aim of lowering the Japanese fighting strength and might enable the military party to propagatate the inevitability of war amongst the Japanese people. As regards war material however, the embargo should be as complete as possible.

It must not be overlooked that Japan has many—though partly inadequate—sources of war materials within the Japanese Empire, Manchukuo, China, Indo China, Thailand and possibly South America. Half way measures from our side would not exert enough pressure, as Japan might then be able, partly through severe restrictions on civil use, to maintain and even increase its war potential, while entrenching itself at leisure in Indo China and possibly Thailand and waiting for a better opportunity to strike.

Of course a tight embargo on war materials may lead to war. Any less stringent system, however, will seem to strengthen the position of the military party, whereas the fear of a general war is probably strong enough at present to deter the Japanese government from extreme measures as long as there is no change for the worse in the allied situation in Europe.

Finally measures of an ambiguous or intricate character should be avoided, as the fear of unknown consequences easily leads the Japanese to react by force. A gradual tightening of the chain may have a similar effect; our experience teaches us that a clear and convincing action is most effective in the way of making the Japanese pause to consider.

In practice this policy should mean for the N. E. I. :

- no* exports of mineral oil, rubber, tin, iron and iron ore, bauxite, nickel ore, manganese, resins, tanning materials, palm oil, etc. ;
- small* exports of fibres, copra, kapok, etc. ;
- normal exports of sugar, coffee, maize, timber, etc.

894.24/1750

Memorandum by Mr. Jacques J. Reinstein, Assistant to the Assistant Secretary of State (Acheson)

[Extract]

[WASHINGTON,] September 22, 1941.

RESTRICTIONS ON JAPANESE TRADE AND PAYMENTS IN THE
BRITISH EMPIRE

All British countries have frozen Japanese assets. According to the British Embassy, all have agreed in principle to the policy adopted

by the British Government of restricting exports to Japan to the minimum level necessary to obtain essential imports from Japan.

As a practical matter trade between the British Empire and Japan is virtually at a standstill. Except for manganese and iron ore from Malaya and cotton from India, exports to Japan of products valuable from a military viewpoint have been completely cut off.

J[ACQUES] J. R[EINSTEIN]

894.24/1750

Memorandum by the Assistant Secretary of State (Acheson) to the Secretary of State

[WASHINGTON,] September 22, 1941.

MR. SECRETARY:

TRADE WITH JAPAN

There are attached two memoranda ⁴⁷ which survey the policies and practices of the British Empire, the Netherlands East Indies, and the United States regarding trade with Japan. Except for iron ore, manganese, petroleum and cotton (exports of which the British and Dutch are prepared to prohibit if we do so), the three countries have decided as a matter of policy to cut off exports to Japan of products useful from a military viewpoint.

The survey indicates that, contrary to our assumption, we have not gone farther in our restrictions on Japan than the British and the Dutch. Their policy decisions are in advance of ours in many respects. Our own policy, owing in part to the dual control which we exercise over trade with Japan through export control and financial control, is obscure and not fully developed.

In so far as the actual treatment of trade with Japan is concerned, as distinguished from the policy decisions, the situation is about the same in all three countries. Trade is virtually at a standstill.

The obscurity of our policy and the complexity of our financial and export controls have given rise in recent weeks to increasing uneasiness on the part of the British and Dutch regarding our intentions. They have expressed to us their desire for a more definitive but private statement of our policy, including our views on the products mentioned above, regarding which they are prepared to take action parallel to ours. In this connection, there are attached a letter from Mr. Noel Hall of September 13,⁴⁸ a memorandum from the British Em-

⁴⁷ Dated September 20, vol. v, p. 290, and September 22, *supra*.

⁴⁸ *Ante*, p. 873.

bassy of September 22,⁴⁹ a despatch of September 3 from Minister Biddle,⁴⁹ and two memoranda of conversations⁵⁰ with the Minister-Counselor of the Netherlands Legation.

The British and Dutch have told us that they will go as far as we will, but that they do not want to get ahead of us. Today, for the first time, and after years of effort, we have achieved effective joint action against Japan. Indecision or the evidence of weakness on our part will endanger this common front.

Recommendations

There are certain questions now before us involving parallel action with the British and Dutch which require immediate and clear action. The recommendations made below regarding these questions would require no public announcements. In no case would they result in any actual change in our current exports, which are nil due to a combination of export control, payment difficulties and suspension of shipping facilities.

PETROLEUM

At present no petroleum is moving to Japan from any of the three countries. However, there are applications pending before both us and the Dutch which require immediate clarification.

(1) Tentative export quotas (of which the British and Dutch have been advised) have been worked out by the United States, but exportation is dependent upon the issuance of both export licenses and financial licenses. There are three export licenses outstanding for petroleum products valued at \$178,000, for which no Treasury licenses have been granted because of the inability of Japan to arrange satisfactory methods of payment. The Japanese have recently informed us that they are not prepared to meet our suggested methods of payment (use of cash held in this country by Japan or, possibly, use of concealed Japanese dollar balances held in South America). They now suggest that payment be made by the shipment to this country of gold or of American currency which they have managed to accumulate in the Far East, particularly in Shanghai. (Payment in gold is ruled out by the policy decision approved by the President not to permit the importation of gold from Japan). We are under no obligation to the Japanese to consider either method of payment, since the only methods discussed with them have been those which they have now rejected.

(2) American oil companies have applied to the Dutch for export licenses, but the Dutch have held up issuance of licenses for the reason that licenses for payment have not been granted by the United States.

⁴⁹ Not printed.

⁵⁰ On September 18 and 20, respectively; neither printed.

Should we grant these licenses for payment, our action would be interpreted by the Dutch as an indication that we want to see the oil exported.

Knowledge by the Dutch of our tentative export quotas (which they regard as excessive) and the delay in clarifying our position on the question of payment for both American and Indies oil has caused them to become increasingly uneasy.

It is recommended:

(a) That we inform the Japanese that the methods of payment proposed by them are not acceptable.

(b) That we inform the British and Dutch in strict confidence that if they are prepared to act similarly, we will not permit further exports of petroleum products.

IRON ORE

Malaya has exported iron ore to Japan for many years. During the last few years the Philippines have also entered this trade. Malayan exports in the most recent years have amounted to about 2,000,000 tons; Philippine exports to about 1,150,000 tons. Japan also imports fairly substantial quantities of pig iron from India.

The British state that, through prohibition of night loading and night clearance, they have reduced exports from Malaya by about forty percent. A quota of 525,000 tons was fixed for exports from the Philippines for the last seven months of this year, which is equivalent to an annual level of 800,000 tons or a restriction roughly comparable to that on Malayan exports. However, because of heavy exports during the early months of this year, Philippine exports for 1941 as a whole will show little or no reduction from the high levels of recent years.

The British have now informed us that they are prepared to prohibit the exportation of iron ore from Malaya if we will prohibit exports from the Philippines.

It is recommended:

(a) That we agree to the British proposal on condition that exports of pig iron from India be prohibited.

(b) That we tell the High Commissioner to suspend the issuance of new licenses pending further instructions, and that we review the situation with regard to any outstanding licenses.

COTTON

Over a period of recent years, the United States and India have had roughly equal shares in the Japanese cotton market, the ratio from year to year depending to a large extent on price factors. During the past year, exports of American cotton to Japan were extremely small, while Indian exports continued at the level of the last few years.

Since the freezing order, no cotton has been exported from the United States to Japan, although some has continued to move to occupied China. Exports from India to Japan have been limited on a monthly basis to the 1940 level in so far as they were covered by confirmed credits prior to the freezing order. (Exports to occupied China are also tentatively limited to the 1940 level). These credits are practically exhausted. The British have offered to reduce exports to Japan to whatever level (in terms of value) that we reduce.

It is recommended:

(a) That we accept the British offer and inform them that we are prepared to withhold Treasury licenses for the exportation of cotton, except for cotton bought by the Japanese prior to freezing, the release of which would be dependent upon arrangement being made for the reciprocal release of American-owned goods by Japan.⁵¹

(b) That we approach the British with a view to working out an arrangement for restricting exports of cotton to occupied China to reliable British, American and Chinese mills.

I also recommend that, with reference to each of these products, we inform the British and Dutch that if future events should warrant any changes in our policy, we would discuss the changes with them in advance of taking action.

In conclusion, I should like to emphasize again my feeling that, unless we give the British and Dutch a clear statement of our policy and take immediate and decisive action on the questions now before us, the whole program of concerted action against Japan will be seriously imperiled and, in my opinion, if it collapses it can, in all probability, not again be resurrected within the foreseeable future.

DEAN ACHESON

894.24/1750

*Memorandum by the Adviser on Political Relations (Hornbeck)*⁵²

[WASHINGTON,] September 24, 1941.

I concur, right straight through, in the expressions of opinion which I find in this memorandum.⁵³

I concur in the recommendations with regard to petroleum and iron ore—except that I would suggest that, in imparting to the British and the Dutch information regarding our position and intentions, we do so in general and guarded terms rather than in terms of a promise or agreement.

⁵¹ The Chief of the Division of Far Eastern Affairs (Hamilton) on September 25 reported his Division concurred in the suggestion that cotton purchased by the Japanese prior to freezing be released in exchange for the release by Japan of American-owned goods held in Japan.

⁵² Initialed by the Secretary of State.

⁵³ Dated September 22, *supra*.

With regard to cotton, I suggest that the question be "let ride" for the present—with an expectation that before long we will arrive at an opportune moment for taking the action recommended; and that we so inform the British.

S[TANLEY] K. H[ORNBECK]

840.51 Frozen Credits/3649

The Japanese Ambassador (Nomura) to the Secretary of State

No. 280

The Japanese Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to refer to the agreement entered into at Tokyo on September 15, 1941, between the Imperial Foreign Office and the United States' Ambassador⁵⁴ to the effect of exempting from the application of the "freezing" orders, on a basis of reciprocity, the diplomatic and consular officers, as well as other official agents, of both countries within the territories under the authority of each of them.

In conformity with the stipulations of the said agreement, lists of those coming under the said exemption are herewith submitted.⁵⁵ The Ambassador will appreciate it if the Secretary will be so good as to cause to be removed the existing hindrances in the way of the transfer of funds from the Imperial Government to the said agents and the free disposal of the funds by the persons concerned.

[WASHINGTON,] September 24, 1941.

840.51 Frozen Credits/3649

Memorandum of Conversation, by the Assistant Secretary of State (Acheson)

[Extract]

[WASHINGTON,] September 25, 1941.

Mr. Iguchi called at his request. He handed me the attached memorandum relating to the licensing of the accounts of Japanese official representatives in this country and Japanese consular officials, together with the attached list of such accounts and amounts requested.⁵⁶

⁵⁴ This agreement was made pursuant to telegram No. 565, September 5, 11 p. m., to the Ambassador in Japan, p. 870, and was reported in detail in telegram No. 1465, September 16, 5 p. m., from the Ambassador in Japan, not printed (840.51 Frozen Credits/3563).

⁵⁵ None printed.

⁵⁶ Neither printed.

Mr. Iguchi stated that he presumed that, an agreement having been reached in Tokyo between Mr. Grew and the Japanese Foreign Office, Mr. Grew would present similar lists and we could then license the accounts. I stated that according to my understanding there was one matter still under discussion between Mr. Grew and the Japanese Foreign Office, which was the extension of similar treatment to American diplomatic and consular accounts and officials in Japanese occupied areas in China; that I understood that the Japanese Government had expressed its willingness to use its good offices to bring about such treatment, but that in view of the importance to us of assuring such similar treatment I could not tell him that we would be prepared to license the accounts in this country until we were assured either that similar treatment would be or had been accorded in Japanese occupied areas in China. I added that this matter was under consideration by other officials in this Department, who were in touch with Mr. Grew, and that I had every hope that the matter would be shortly arranged either with the Japanese Government or in some other satisfactory way.

DEAN ACHESON

811.20 (D) Regulations/5462

Memorandum of Conversation, by Mr. Alger Hiss, Assistant to the Adviser on Political Relations (Hornbeck) ⁵⁷

[WASHINGTON,] September 26, 1941.

After Mr. Acheson had discussed with the Secretary the substance of his memorandum of September 22 entitled "Trade with Japan" and after having worked out with Messrs. Hornbeck and Hamilton the nature of information which it would seem wisest to impart to the British and Netherlands Governments, Mr. Acheson asked Baron van Boetzelaer to call (the Minister being out of town).

Mr. Acheson had previously written out the phraseology which he intended to follow in talking to Baron van Boetzelaer and he stuck closely to this phraseology in making the following remarks: In view of Baron van Boetzelaer's repeated requests for a statement of the policy of the American Government regarding the shipment of petroleum products from the United States to Japan, Mr. Acheson said that he was now in a position to say that no shipments of such products had gone to Japan since the date of the freezing order, and that although three export licenses for comparatively small amounts of petroleum products had been granted sometime ago the Japanese had

⁵⁷ Initialed by the Assistant Secretary of State (Acheson).

refused to turn in as payment hidden currency in their control in this country and all other forms of completing the transaction have been found unsatisfactory by the United States. It is the intention of the United States to continue to take this same attitude. In other words, through the medium of our freezing control, exports of petroleum to Japan have ceased and the Netherlands authorities may expect that through the maintenance of the same control the same result will continue. Should anything occur which might warrant a reconsideration of the situation we would of course discuss the matter with the Netherlands authorities before taking any action.

Mr. Acheson then said that Secretary Hull had particularly stressed his desire that the information which had just been given to Baron van Boetzelaer be disseminated among as few officials of the Netherlands Government as possible and had also stressed the importance that there be no publication in any way of anything ascribing any particular policy to the Government of the United States.

894.24/1825

*Memorandum of Conversation, by the Assistant Secretary of State
(Acheson)*

[WASHINGTON,] September 27, 1941.

Mr. Hall called at my request. I referred to the fact that from time to time Mr. Hall had made inquiries regarding the policy of this Government toward the shipment of petroleum products from the United States to Japan and that, as he knew, the Netherlands Government had made similar inquiries. I said that yesterday Baron van Boetzelaer called again to ask for clarification on this point and that I wished to inform Mr. Hall of what I had said. I then repeated to Mr. Hall the statement which I had made to Baron van Boetzelaer, having previously refreshed my memory from the written memorandum. The statement was as follows:

[Here follows substance of statement given in memorandum by Mr. Alger Hiss, *supra*.]

I then referred to the suggestion which he had made that the Government of India was willing to restrict its exports of cotton to Japan and I believed to Japanese occupied China in any month to the amount which had been exported to those destinations from the United States in the preceding month. I informed him that at the present time no cotton was moving from this country to Japan and relatively small amounts to Japanese-occupied China, and that we would procure for him as promptly as possible after the end of each month a statement from the Collectors of Customs of the amounts exported.

I then referred to his letter⁵⁸ in which he had suggested that the British authorities were prepared to stop the exports of iron ore from British Malaya if exports of iron ore from the Philippines were discontinued. I stated that we were trying to get from the Philippines a statement of the amounts of iron ore, if any, which was already under license and the amount of the unexhausted quota. Such figures as we had led us to believe that the quota was very nearly exhausted. If this were so, it would not be our intention to enlarge the quota. If there were no outstanding licenses, the policy would be to have the whole matter referred to Washington for review, with a view toward discontinuing exports. If there were any substantial number of licenses outstanding, that situation would require further study. I told him that I would discuss this matter further with him very shortly, as soon as we had received the essential information from the Philippines.

DEAN ACHESON

811.20 Defense (M)/3469

*The Secretary of State to the Deputy Federal Loan Administrator
(Clayton)*

WASHINGTON, September 27, 1941.

MY DEAR MR. CLAYTON: I am advised by officers of the Department who are working on the subject with me that the range and details of our emergency buying program for Philippine export products are being worked out and made effective. I would like to convey to you my sense of the importance of the undertaking. The action of the Philippine authorities, in conjunction with this Government, in controlling their exports will prove a very substantial contribution to the execution of our foreign policy.⁵⁹ It should serve at once to make available to us for purposes of defense production materials we urgently need, and at the same time curtail supplies in other directions. These purposes, I am certain, will justify the expenditure that the Federal Loan Agency may be called upon to make or the financial risk to which it may expose itself thereby.

I believe it important that the Government go as far as it conscientiously can by means of our purchase program to minimize the disturbance and loss occasioned to Philippine producing interests and

⁵⁸ September 13, p. 873.

⁵⁹ In a memorandum of September 8, the Adviser on International Economic Affairs (Feis) stated that "our export control directive as applied to the Philippines already curtails or eliminates the Japanese market for many important Philippine products; to wit, chrome, manganese, copper, iron ore, copra, coconut oil, abaca."

workers. Under certain contingencies, the Philippines might become an even more important center of political and military interests than they are at the present time. Assurances that both the Philippine authorities and the people working in the Philippines will be convinced of our consideration for their interest will be certain to be helpful. I suggest and recommend that the Federal Loan Agency consider the whole purchase program in the light of these considerations.

I understand that some hesitation exists particularly in the matter of low grade iron ore. Without going into detail, I feel that if as a consequence of our general policy in these matters the mines concerned completely or substantially lose their customary markets, this Government would be well advised during this emergency period in providing at some reasonable minimum price the financial assistance whereby the mines can avoid shutdown or too drastic reduction. If this means the accumulation of ore in the Philippines that cannot be moved to the United States now, there is always the hope that at the end of the emergency it will find a market; or at the worst, that we should have to consider this as one of the minor losses under the defense program.

Even more important than iron ore and the other base metals, from the standpoint of the Philippine economy, are such industries as coconut products, sugar, lumber and tobacco, which provide a large proportion of the Philippine income from exports and on which a large proportion of the population is dependent. I understand that plans for the alleviation of the problems of the coconut industry are being studied. The other industries mentioned are not affected by export control but are in grave danger of losing their normal markets as a result of our policy in the allocation of shipping space. The sugar industry, on which nearly ten percent of the population depends, is in a particularly difficult situation since the International Sugar Agreement provides that Philippine sugar may be sold only in the United States. It is doubtful if a loan policy would be very effective in this instance, due to storage difficulties and the unlikelihood of an adequate market at the end of the emergency, but the gravity of the situation makes it imperative that a solution of the problem be sought.

In the case of lumber, it might be found desirable to make loans against accumulated stocks, since lumber would not deteriorate and should ultimately be in good demand. It is possible that our responsibility toward the tobacco industry might be fulfilled simply by assuring that shipping space is available for the established quota for cigar shipments to the United States, which should not be difficult. It is hoped that Dr. Grady will find it possible to give some consideration

to the problems of these industries, particularly sugar, before leaving the Islands.

I thank you for your consideration of this matter.

Sincerely yours,

CORDELL HULL

840.51 Frozen Credits/3519 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, September 27, 1941—7 p. m.

623. Your 1470, September 17, 1 p. m. and 1465, September 16, 5 p. m.⁶⁰ The Japanese *note verbale* in itself is acceptable to this Government. It is noted, however, that there has been no reply to our oral request for assurances that the treatment of American official establishments and personnel in Japan which the Japanese Government may agree upon shall in fact be extended to the official establishments and personnel of this Government in Manchuria and the occupied areas of China. However, in order to avoid further delay you are authorized to fulfil the conditions set forth in the *note verbale* with respect to the official establishments and personnel of this Government in the Japanese Empire and the Kwantung Leased Territory, including, of course, the establishments and personnel of all the agencies of this Government. At the same time that you furnish this information, however, it is desired that you make an oral statement, leaving a written record thereof, along lines as follows:

“It is assumed that the Japanese Government will take prompt action to the end that there shall be effectively extended to the official establishments and personnel of the Government of the United States in Manchuria and the Japanese-occupied areas of China allowances and privileges equivalent to those accruing to the official American establishments and personnel in Japan and to official Japanese establishments and personnel in the United States.”

The Department is instructing the Embassy at Peiping to keep a close check on whether American official establishments and personnel functioning in posts in Manchuria and the Japanese-occupied areas of China where restrictions on withdrawals and expenditures by official establishments and personnel are in force receive in the future allowances and privileges no less favorable than those accruing to American and Japanese official establishments and personnel each in the territory of the other and, within a reasonable period of time, say three or four weeks, to report to the Department on the subject by naval radio repeating its report to you.

⁶⁰ Neither printed; with regard to the latter, see footnote 54, p. 885.

Please repeat to Peiping your 1465, September 16, 5 p. m., and furnish Peiping by mail a precise list of the data which you plan to furnish the Japanese Government in regard to American official establishments and personnel.

Sent to Tokyo via Peiping.

HULL

894.24/1813

The British Minister (Hall) to the Assistant Secretary of State (Acheson)

WASHINGTON, October 2, 1941.

DEAR MR. ACHESON: After our conversation last Saturday morning I reported to London that exports of cotton from the United States to Japan during August last had been zero and that they were almost certain to be zero during September.⁶¹ London has passed on this information to the Government of India and suggested to that Government that it should now implement the general undertaking which it suggested about cotton exports to Japan. Under this undertaking shipments from India during October to Japan should be nil, except insofar as shipments are made under unexpired, pre-zero confirmed credits for other pre-zero contracts where payment is made in cash.

Very sincerely yours,

NOEL F. HALL

711.94/2406A

*Memorandum of Conversation, by Mr. Joseph W. Ballantine*⁶²

[WASHINGTON,] October 3, 1941.

The Japanese Ambassador called at his request. He handed the Secretary the attached statement marked "oral"⁶³ and stated that although the subject was a matter concerning which he was reluctant to trouble the Secretary, he had brought it personally to the attention of the Secretary because he had been expressly instructed by his Government to do so. He said that the Counselor of the Embassy, Mr. Iguchi, had been dealing with Mr. Acheson in regard to the matters discussed in the statement and that Mr. Acheson had been very considerate to Mr. Iguchi. The Secretary read the statement and replied that he would, of course, look into the matters mentioned in the state-

⁶¹ No licenses for the export of cotton to Japan were issued by the Treasury Department for September–November.

⁶² Foreign Service Officer detailed to the Department on special consultation.

⁶³ *Infra.*

ment given him by the Ambassador. He said that those matters were ones in which other Departments of this Government were concerned and interested; that he could not undertake to say offhand just what departments were concerned.

The Ambassador then took up another unrelated matter which is the subject of a separate memorandum.⁶⁴

711.94/2406†

The Japanese Ambassador (Nomura) to the Secretary of State

ORAL

I have been instructed, Mr. Secretary, to appeal to you personally for assistance in the settlement of two long pending issues: one concerning the resumption of shipping from Japan to the United States and the other concerning the payment for the licensed oil shipment.

As regards the first question, I am told that if no assurances can be obtained regarding the question of "claims" because it is a matter in the hands of the judiciary authorities, the proposed resumption of shipping will have to be delayed indefinitely.

The Japanese Government hesitates to use a requisitioned ship as such a ship is likely to be regarded as an "evacuation ship" and would create consequently an undesirable impression upon the public.

Since it is intolerable, in fact inhuman, to keep waiting so long so many prospective passengers, and since as many Americans as possible are also to be accommodated, I am instructed to request the American Government to be good enough to see to it that, no matter what technical difficulties there may be, an arrangement is speedily made for the sending of one ship at least.⁶⁵

As regards the second question, in view of the delay in obtaining an answer to its proposal of two weeks ago to ship gold or U. S. dollar notes in payment of the licensed oil shipment, the Japanese Government, despite serious difficulties, has finally decided to remit the money from South America, as was once suggested by the American Government. It is hoped this step will facilitate the settlement of the case.

[WASHINGTON,] October 3, 1941.

⁶⁴ Memorandum of October 3, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 661.

⁶⁵ For the Japanese Ambassador's expression of appreciation, see memorandum of October 9, 1941, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 670.

840.51 Frozen Credits/3780

The Japanese Ambassador (Nomura) to the Secretary of State

No. 288

The Japanese Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to acknowledge the receipt of the Secretary's note dated September 16, 1941,⁶⁶ regarding the Treasury Department's information to the Department of State on the waiving of requirements in filing reports for duly accredited diplomatic officers of foreign governments and employees in diplomatic missions.

In connection with this matter, the Ambassador is instructed to inform the Secretary of State that, in conformity with the spirit and aim of the agreement reached in Tokyo on September 15, 1941,⁶⁶ the Japanese Government desires to propose to waive, on a basis of reciprocity, the requirement to file reports personally with respect to the property not only of duly accredited diplomatic officers and employees in diplomatic missions as referred to in the Secretary's note above-mentioned, but also consular officers or employees and other officials or employees of foreign governments.

This the Japanese Government proposed to do provided it meets with the approval of the American Government.

[WASHINGTON,] October 3, 1941.

756D.94/189 : Telegram

The Consul General at Batavia (Foote) to the Secretary of State

BATAVIA, October 7, 1941—3 p. m.

[Received October 7—9: 54 a. m.]

160. Department's telegram No. 123, September 13 [26].⁶⁶

1. The following items were shipped to Japan between June 1 and July 28, 1941, the date of the Netherlands Indies freezing order (stated in metric tons) : 1815 rubber ; 41 cinchona bark ; 29 quinine ; 151 copal ; 4600 copra and oil bearing seeds ; 9400 sugar ; 600 tapioca ; 56 kapok ; 80,800 mineral oil ; 25,700 bauxite ; 5800 scrap iron ; 17,000 salt ; 9700 nickel ore ; 305 tin ; 35,000 corn ; and other goods valued at 278,000 guilders.

2. After the local freezing regulations became effective one Japanese tanker was loaded with 10,583 tons of crude oil. This was paid for

⁶⁶ Not printed.

however prior to July 28 and the ship was in Netherlands Indies waters at that time. No other deliveries of oil have been made except for small quantities for ship's use.

3. On the day the local freezing regulations became effective there were four Japanese ships in Netherlands Indies waters to transport cargoes which had been paid for prior thereto. These ships were permitted to load and depart with the following goods (stated in metric tons) : 610 rubber, 110 tin, 15,980 corn, 65 cinchona bark, 16 quinine, 2059 scrap iron, 60 mangrove bark, 565 palm oil, 150 sisal, 10,750 sugar, 250 paraffin wax, 200 manganese ore, 1400 copra, 117 tapca [*sic*] roots, 81 wattle bark, and other small quantities of less important commodities. No other export permits have been granted with the exception of one for 7500 tons of soft wood timber which has not yet been shipped.

4. I am informed that some bartering arrangement may be made in the near future to meet this country's urgent needs for glassware, textiles, et cetera, but that nothing will be exchanged therefor which would increase the war potential of a possible enemy. I have been promised that the details of such transactions, if consummated, will be made available to me for the Department's information.

5. Van Mook took great pains to assure me of this Government's desire to cooperate with the United States and to exchange information on all points of mutual interest. After pointing out that nearly 4 days passed before he received any official information about the American freezing order and that press reports were too fragmentary and unreliable to act upon, he said that it would save time and be most helpful if this office were in a position to inform him of any similar actions contemplated by the United States Government.

FOOTE

894.5151/260 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, October 9, 1941—9 p. m.

[Received October 9—10:46 a. m.]

1598. 1. A member of my staff has learned from a source considered very reliable that the Japanese Government's available supply of foreign exchange has been reduced to around 20,000 reichsmarks and that it will have no other recourse than to default on maturing foreign exchange contracts. The American, British and Netherlands East Indies freezing orders have completely blocked exchange transactions in dollars, sterling and guilders and have sharply curtailed dealings in South American currencies. Our informant states that his exchange contracts amount to around 5,000,000 Swedish kroner

and that Japanese purchases from Sweden during the past several months have been financed chiefly through Berlin, presumably by credits advanced by Germany.

2. Recently the Germans have frozen these credits advising the Japanese that they are to be used to finance the purchase of German goods only. Another likely motive according to our informant is that the Germans anticipate Japan's withdrawing from the Axis. They suggested that in as much as Sweden is heavily in debt to Germany for arms and ammunition, Germany is now demanding goods from Sweden rather than kroner. There are reports here to the effect that Japan now owes Germany around 80,000,000 marks.

3. Actually Japan now finds herself in exactly the same embarrassing international financial position as the foreigners have been placed in Japan.

GREW

894.24/1783

*The Japanese Embassy to the Treasury Department*⁶⁸

ORAL

PAYMENT FOR LICENSED OIL SHIPMENTS

When Mr. Nisiyama called on the Treasury Office (1610 Park Road) on September 30th and had a talk on the above subject, he was given to understand that the Government of the United States was not in a position to indicate when it would reach a decision to reply to the Japanese proposal to ship gold or dollar bills from Japan in payment for the shipments.

In the meantime, two Japanese tankers were being kept at San Francisco. These vessels have waited far too long.

The Japanese Government, having been informed that the money position of the Yokohama Specie Bank in South America slightly eased off, now proposes to revert to the original plan, which was suggested by the Government of the United States, to have the money remitted from Rio de Janeiro.

The Yokohama Specie Bank, Rio de Janeiro, will arrange the following telegraphic transfers, through the Banco de Brazil, which will instruct the Chase National Bank of the City of New York, New York, to pay to:—

1. Anglo-California National Bank of San Francisco, San Francisco, in favor of Asano Bussan Kaisha, to be paid to Standard Oil Company of California \$86,000.

⁶⁸ Copy received in the Department of State from the Treasury Department on October 10.

2. Chase National Bank of the City of New York, New York, in favor of Mitsui and Company, Limited, to be paid to Richfield Oil Corporation \$13,176.
3. Wells Fargo Bank and Union Trust Company, San Francisco in favor of Mitsubishi Shoji Kaisha, to be paid to Tidewater Associated Oil Company \$72,000.

The Japanese Government believes that the above arrangement meets the requirement of the Government of the United States. Upon receipt of the assurance of the Government of the United States that the relevant permits will be granted for the aforesaid telegraphic transfers, the Japanese Government will take necessary steps in order that the payment for and the loading of the oil be effected without further delay.

[WASHINGTON,] October 9, 1941.

840.51 Frozen Credits/3453 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, October 10, 1941—4 p. m.

648. Your 1430, September 8, midnight,⁶⁹ and subsequent confidential code telegram in regard to regulations for the control of transactions concerning foreigners.

The Department desires unless conditions have materially improved that an emphatic and comprehensive approach be made to the Japanese Government on behalf of American nationals residing in Japan, other than official personnel, who are suffering undue hardship as a result of regulations enforced in Japan with regard to transactions concerning foreigners. The approach should be in reply to the Japanese Government's note of September 8 reported in your 1430, September 8, midnight. The Department feels that the Embassy is more familiar with the facts and is, therefore, in a better position than is the Department to draft the communication on this subject. However, the Department suggests that you might refute various of the Japanese Government's allegations by reference to the facts, along the lines of your confidential comments to the Department.

Please telegraph the Department whether there has been any improvement in the situation since your last report. Also, after making a further approach to the Japanese Government along the lines indicated in this telegram, please press the Japanese Government for early and favorable response and keep the Department currently informed by telegraph of developments.

Sent to Tokyo via Peiping.

HULL

⁶⁹ Not printed.

711.94/2362 : Telegram

The Consul at Osaka (Allison) to the Secretary of State

OSAKA, October 13, 1941—4 p. m.

[Received October 14—1:40 p. m.]

The news of the despatch of three Japanese ships to the United States was received in Osaka business and financial circles with considerable pleasure. Prices on the Osaka share market rose appreciably this morning and foreign businessmen with important Japanese contacts have reported that there is prevalent an optimistic feeling to the effect that Japanese-American relations are at last on the mend. In spite of the report in the Japanese press that these ships would carry no freight there is a strong belief that some arrangement will be reached whereby it will be possible for them to bring back a certain amount of goods. One cotton merchant told me his Japanese partner stated that after space was provided for industrial and military materials there would probably be room for some cotton also. There are reports too that inquiries for large amount of raw silk have recently been received from America, it is believed that this display of optimism is the result of wishful thinking on the part of Osaka businessmen to whom the freezing order has been a real blow and is also indicative of the genuine hope of many of them that trouble with the United States may be averted. That this attitude is not unanimous is evident from the fact that the Osaka *Mainichi* continues to feature anti-American articles noted for their insulting attacks on American policy and leaders, particularly the President, the latest of which appeared yesterday morning. The *Jiji* also published an editorial Sunday which reiterates the now familiar statement that American and British policy towards Japan consists of economic pressure and military encirclement.

ALLISON

840.51 Frozen Credits/3642 : Telegram

The Secretary of State to the Counselor of Embassy in China (Butrick), at Peiping

WASHINGTON, October 14, 1941—8 p. m.

190. Your 279, September 25, 1 p. m.,⁷⁰ request for report on Mukden Consulate's assets.

You are authorized to instruct the Consul at Mukden that he inform the authorities, either by informal letter or by informal oral approach at Hsinking, as he thinks appropriate, that while the

⁷⁰ Not printed.

American Consulate General at Harbin and the American Consulate General at Mukden are under no legal obligation to comply with the regulations under reference, they are prepared voluntarily to supply all reasonable information concerning their assets. The Consul, however, might point out that this Government, as of September 16, waived in the case of the real property, furnishings and archives of foreign Embassies, Legations and Consulates in this country, including the Japanese and Chinese Embassies and Consulates, certain reports required under Executive Order No. 8389 (freezing order),⁷¹ and might express the hope that the Hsinking authorities will find it likewise unnecessary to require reports from American Consulates in Manchuria.⁷²

Sent to Peiping. Repeated to Chungking. Peiping please repeat to Tokyo.

HULL

840.51 Frozen Credits/3780

The Secretary of State to the Japanese Ambassador (Nomura)

The Secretary of State presents his compliments to His Excellency the Japanese Ambassador and has the honor to acknowledge the receipt of the Ambassador's note of date October 3, 1941 in regard to the waiving of requirements in filing reports for consular officers and employees and other officers and employees of foreign governments.

The requirement under discussion is applicable to consular officers and employees and other officers and employees in the United States of all foreign governments, and the Secretary of State regrets that after careful and sympathetic consideration of the Japanese Embassy's suggestion it has not been found feasible to make an exception in the case of Japanese officers and employees to the general rule.

WASHINGTON, October 29, 1941.

840.51 Frozen Credits/4448‡

The Japanese Embassy to the Department of State

MEMORANDUM

The Japanese Government is prepared to issue the instructions necessary for exemption from the freezing orders of the official establishments maintained in Japan by the American Government and of their personnel, in accordance with the agreement between the two

⁷¹ 5 *Federal Register* 1400.

⁷² In response to this information, the Consul at Mukden reported at the end of November that the authorities in Manchuria "refused to release funds for November salaries and expenses until monthly reports of assets from August to date are made in addition to the previously required detailed applications for withdrawals. Reports are being made." (840.51 Frozen Credits/4539)

Governments referred to in the Japanese Ambassador's note No. 280 of September 24, 1941. The Japanese Government wishes to be apprised of the attitude of the American Government on the following point:

The aforementioned instructions will authorize, upon application, the release of funds to the American establishments and to their personnel to cover expenses for the months of August, September, and October. The Japanese Government is desirous that the American Government will grant similar releases of funds to Japanese establishments in the United States and to their personnel.

[WASHINGTON,] October 30, 1941.

840.51 Frozen Credits/4448‡

The Japanese Embassy to the Department of State

[WASHINGTON,] October 31, 1941.

MEMORANDUM

(1) The following arrangement for the release of funds to American establishments and personnel in Japan is satisfactory to the Japanese Government:

Whenever the Yokohama Specie Bank, Tokyo, shall supply to the National City Bank, Tokyo, yen-funds to cover the necessary expenses of American establishments and their personnel, and both banks have notified their New York offices of the consummation of the transaction, the National City Bank, New York, shall pay to the Yokohama Specie Bank, New York, an equivalent amount in dollars.

(2) With reference to the Embassy's memorandum of October 30th regarding the period of time for which the Japanese Government is prepared initially to release funds for the expenses of American establishments and their personnel, the Embassy desires to make clear that the intention of the Japanese Government is to release funds for November expenses as well as for the expenses of August, September, and October, and that the releases for November shall include funds for the three preceding months.

840.51 Frozen Credits/4168 : Telegram

The Counselor of Embassy in China (Butrick) to the Secretary of State

PEIPING, October 31, 1941—2 p. m.

[Received November 4—8:42 p. m.]

335. Department's 181, September 27, 7 p. m.⁷³ Reciprocal arrangement for unfreezing blocked official accounts. With the exception of

⁷³ Not printed; it was similar to Department's telegram No. 623, September 27, 7 p. m., to the Ambassador in Japan, p. 890.

the Consulate General at Mukden, Embassy has received no reply to its circular telegram of October 4 (repeated to Department)⁷⁵ indicating that any American official establishment or employee in Japanese occupied areas has a bank account in China which is subject to retaliatory freezing measures. Particulars required from Mukden were furnished the Embassy in Tokyo [on] October 6.

So far as the Embassy is aware, none of the retaliatory freezing measures in force in China has been abolished or modified in favor of American official establishments and personnel to such an extent that if such establishments and personnel had accounts in a bank in China those accounts would be as free from restrictions on withdrawals and investments as are the accounts in the United States of Japanese official establishments and personnel. In short, the arrangement for reciprocal treatment is not in effect in China.

Sent to the Department, repeated to Chungking and Tokyo.

BUTRICK

811.7194/12

*Memorandum of Conversations, by the Assistant Chief of the Division of Far Eastern Affairs (Atcheson)*⁷⁶

[WASHINGTON,] November 3, 1941.

Mr. Iguchi telephoned this morning and stated that his Embassy had received a cable from the Japanese Consulate General at Honolulu to the effect that United States postal authorities there had received orders not to permit mails scheduled for the *Taiyo Maru* to be sent on that vessel which was due to depart for Japan November 4. Mr. Iguchi inquired as to the purpose of such orders and requested appropriate information in the premises. Mr. Atcheson stated that he would look into the matter and let Mr. Iguchi know. Mr. Iguchi stated that he would be absent from the Embassy for a period and upon his return he would telephone to Mr. Atcheson again.

Mr. Atcheson subsequently learned from Mr. Keating of IN⁷⁷ that the mails which were being withheld from the *Taiyo Maru* were first-class mails only; that this action was taken in accordance with the procedure worked out whereunder first-class mails for the Far East would pass through British territory to be censored; and that second- and third-class mails would go forward on the *Taiyo Maru*.

Mr. Iguchi later telephoned to Mr. Atcheson again. Mr. Atcheson stated that he had made inquiries in regard to this matter; that as Mr. Iguchi knew, wartime conditions and shortage of ships and

⁷⁵ Not printed.

⁷⁶ Initialed by the Chief of the Division (Hamilton).

⁷⁷ Division of International Communications.

changes in shipping schedules had recently caused delays in the forwarding of mails and alterations in the procedures followed in the forwarding of mails; that he understood that the Post Office Department was undertaking the formulation of new procedures for the forwarding of mails and it appeared that while second- and third-class mails would be sent on the *Taiyo Maru*, the first-class were of a category falling within the new general procedure. Mr. Iguchi said that he had assumed that something of the sort was the case and he inquired whether it would be all right for his Embassy to cable the Consulate General at Honolulu to have the *Taiyo Maru* sail therefrom on schedule without the first-class mails in question. Mr. Acheson stated that this would seem to be appropriate as the postal authorities would not, of course, wish to delay the vessel's departure. Mr. Iguchi said that he would send a message to the Japanese Consul General at Honolulu and would have the vessel sail on time.

840.51 Frozen Credits/4362: Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 13, 1941—2 p. m.
[Received November 22—1:36 p. m.]

1795. On November 11, 1941, the Japanese Government published in the *Official Gazette* general licenses Nos. 61 and 62 of the Ministry of Finance which in effect unfreeze American Government establishments and personnel in Japan.

[Here follow texts of translations of the general licenses.]

GREW

840.51 Frozen Credits/4350

The Assistant Secretary of State (Acheson) to the Counselor of the Japanese Embassy (Iguchi)

WASHINGTON, November 14, 1941.

MY DEAR MR. IGUCHI: This is in reply to your letter of November 10, 1941⁷⁸ with respect to licenses releasing within the amount agreed upon the official funds for salaries for the month of November of the official Japanese establishments in the United States. Licenses were issued today by the Department of the Treasury releasing the various accounts of the official establishments and personnel which were set forth in the note from the Japanese Ambassador to the Secretary of State, no. 280, dated September 24, 1941. The licenses which have been granted cover all payments which are to be made under the ar-

⁷⁸ Not printed.

rangement which has been agreed upon.⁸⁰ When it is desired to transfer funds to replenish these various accounts, the appropriate procedure would be for the Yokohama Specie Bank to file an application describing the transfer which is to be made. When such applications are filed, the necessary licenses will be granted promptly.

Sincerely yours,

DEAN ACHESON

811.20 Defense (M)/3764 : Telegram

The Consul at Shanghai (Stanton) to the Secretary of State

SHANGHAI, November 15, 1941—9 a. m.

[Received 1:18 p. m.]

1688. Department's 955, November 10, 5 p. m.⁸⁰ Estimates of quantities of waste silk in Shanghai range up to 10,000 piculs said to be mostly in Japanese hands with larger quantities up country. Japan military still control exports of all grades of raw silk including waste silk and there is apparently no change in situation whereby permits for export can be secured only if exporter can arrange imports of petroleum or other products desired by Japanese authorities as reported in this Consulate General's message 1249, September 11, 4 p. m.⁸⁰ Thus, a virtual embargo is in force on silk and waste silk shipments to United States and a large British exporter states that its silk shipments to the United Kingdom have been dead for the past 2 months for same reasons. Japan holders of waste silk apparently do not wish to ship to Japan, where there is a demand, as price to be realized is not sufficiently attractive. Hence they prefer to hold stocks here hoping some basis for resumption of usual export trade may be found.

This Consulate General will not encourage exporters to make efforts to develop import link deals with Japanese for waste silk exports unless Department so instructs.

STANTON

811.711/1649 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 21, 1941—8 p. m.

[Received November 21—6:57 a. m.]

1831. Department's 718, November 5, 11 p. m.⁸⁰

1. Tokyo *Asahi* this morning reported that the director of the American Bureau of the Foreign Office,⁸¹ replying on November 20 to an

⁸⁰ Not printed.

⁸¹ Kumaichi Yamamoto.

interpellation in a committee of the Lower House, stated that the action of the American authorities in withholding mail from the *Tatsuta Maru* was an "extremely unfriendly act and contravened the understanding which was reached with regard to the sending of the vessel".

2. At my direction the Counselor⁸² called this afternoon on Mr. Yamamoto and inquired whether the *Asahi* story were correct. Mr. Yamamoto replied that he had submitted to the committee a written reply to a heated interpellation criticizing the Japanese Government for failing to protest to the American Government with regard to the incident; that the story omitted his account of the satisfactory action of the American Government in sending forward the mail on subsequent vessels; but that he had in fact used the words as above quoted. He was informed that the Japanese oral statement delivered to the Department on October 7⁸³ made no mention of the carrying of mails and that that fact was admitted on November 4 by the Counselor of the Japanese Embassy in Washington. When informed that I desired that a statement be issued by the Foreign Office which would in effect retract the statement above quoted, Mr. Yamamoto said that no correction of his official reply could be made as the Diet had adjourned and he expressed unwillingness to have any correction released by the Foreign Office. He said that he would however be prepared to write me a letter of explanation.

3. As it is unlikely that any Japanese newspaper would be prepared to publish any statement from the Embassy controverting the reply to the interpellation made by Mr. Yamamoto, I recommend that I be authorized to address to the Minister for Foreign Affairs⁸⁴ a formal note taking strong exception to the objectionable statements of Mr. Yamamoto.⁸⁵

GREW

840.51 Frozen Credits/4442

*Memorandum by the Assistant Secretary of State (Acheson)*⁸⁶

[WASHINGTON,] November 22, 1941.

PRESENT EFFECT OF THE FREEZING CONTROL IN THE ECONOMIC CONTROL
AS EXERCISED UPON JAPAN

1. *Effect upon control of imports.* Japanese imports into the United States in 1940 were \$106,000,000. In the first five months of 1941 they were \$52,000,000. Approximately two-thirds of these im-

⁸² Eugene H. Dooman.

⁸³ Not printed, but for Department's reply, see note to the Japanese Embassy, October 8, vol. v, p. 432.

⁸⁴ Shigenori Togo.

⁸⁵ The Ambassador was authorized on December 1 by the Secretary of State to address a note to the Minister for Foreign Affairs along the lines recommended.

⁸⁶ Noted by the Secretary of State.

ports were silk and silk products. The freezing order is our only machinery for controlling imports. If there were no freezing order, but if export controls were continued, there would undoubtedly be a resumption of imports. It seems probable that these would be chiefly silk and silk products. Probably the general level of imports would decrease, since the export controls would diminish the use of the dollars for purchases in this country. However, the Japanese might be anxious to resume silk imports, both because otherwise the market might be permanently lost through the use of substitutes and partly because it might delay the transformation of our textile equipment from silk to synthetic fibres.

2. *Effect of Freezing upon export control.* Prior to the application of freezing to Japan, American exports to Japan were approximately \$10,000,000 per month. The largest items were scrap rubber, raw cotton, and petroleum products. Since the end of July export control has been extended over a considerable range of products. At the present time raw cotton, textile manufactures, and lumber and wood products other than pulp and paper are the chief items not under export control. However, animal and vegetable food products, other than oils and fats, while under export control, may be exported by reason of the existence of general licenses to all destinations, except from the Philippines. It is the imposition of freezing control which prevents these exports to Japan and Japanese-occupied China. Of course, it would be possible to revoke the general licenses and exercise the control through export control rather than through freezing.

3. *Export control in its effect on Japanese trade with other areas.* The Japanese oil trade with the Netherlands East Indies was financed largely through the use of dollars. The freezing control has been a factor in stopping this trade. The freezing control also has been a factor in stopping, or greatly limiting, Japanese trade with the other American Republics, since here again payments were made through dollars.

4. *Effect of freezing control upon Japanese assets in the United States.* The control has immobilized Japanese deposits in the United States. If it did not exist, presumably a large part of the deposits would be withdrawn. In Japan American deposits are immobilized not merely through freezing control, but through pre-existing exchange control.

5. *Effect upon Chinese stabilization.* At the present time the American freezing control is one of the chief instruments—if not the chief instrument—in the attempt to stabilize the Chinese currency and to control imports and exports through Shanghai. If the freezing control did not exist in respect to Japanese assets, these efforts would be made immeasurably more difficult.

RELATIONS OF JAPAN WITH THE AXIS POWERS AND
WITH THE SOVIET UNION ¹

761.94/1253 : Telegram

*The Ambassador in the Soviet Union (Steinhardt) to the Secretary
of State*

[Extract] ²

Moscow, January 6, 1941—4 p. m.

[Received 7:47 p. m.]

14. Although I can see no reason at this time to attach significance to the coincidence of a halt in the Soviet-Japanese, Soviet-German and Soviet-Rumanian negotiations at approximately the same time, certain general observations in relation thereto suggest themselves.

The halt in the Soviet-Japanese negotiations appears to have been occasioned by the unwillingness of the Japanese Government to pay the price demanded by the Soviets. The Soviet attitude appears to be a confident belief that as Japanese difficulties increase the Japanese Government will eventually decide to pay the price and that in consequence the Soviet Government has every reason to adopt a waiting attitude.

STEINHARDT

762.9411/206 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, January 10, 1941—noon.

[Received 12:06 p. m.]

91. My telegram 5129, December 21, 3 p. m.,³ reporting the formation of the commissions provided for in the Three Power Pact.^{3a} *Dienst aus Deutschland* states that the Japanese military mission under the leadership of General Yamashita which has just arrived in Berlin will remain in Germany for an extended period and that there

¹ Continued from *Foreign Relations*, 1940, vol. I; see also *Foreign Relations*, Japan, 1931-1941, vol. II, pp. 182-186, 502-516, *passim*, and Department of State, *Nazi-Soviet Relations, 1939-1941*, especially pp. 280-357, *passim*.

² Remainder of this telegram is printed in vol. I, section II under "Activities of the Soviet Union in Eastern Europe, and Soviet Relations With the Belligerent Powers."

³ Not printed.

^{3a} Signed at Berlin, September 27, 1940, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 165.

may be expected from its prolonged contacts with the various military agencies of the Reich a closer association in the military relationship of the two powers resting on the Berlin Three Power Pact.

MORRIS

762.9411/220 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, January 28, 1941—7 p. m.

[Received January 29—3:35 a. m.]

130. My British colleague ⁴ on January 23 sent a telegram to London of which the following is the substance:

In course of conversation today I mentioned that in our interviews on the subject of tripartite pact, Minister for Foreign Affairs ⁵ had stated that only in the event of article 3 of that treaty coming into operation would Japan be likely to be involved in war with us. I had noticed in every particular that in his speech of January 16 he had implied that in the event of the war's going against Germany Japan might feel it necessary to intervene. Had I correctly understood His Excellency's meaning?

Mr. Matsuoka disabused Japanese public of the idea that the conclusion of this treaty was a gamble on German victory. Should article 3 be invoked it would come into operation just as effectively whether or not at the particular time Germany was being successful. He had always objected strongly to the Japanese attitude during the last war when, despite Japan's alliance with Great Britain, many Japanese had sided with Germany. This time, he said, there was to be no "sitting on the fence" and Japan must assist her allies wholeheartedly whether they were winning or losing. By "assistance", however, he did not necessarily mean the use of armed force, the moment for which still remained governed by the terms of article 3 of the treaty.

GREW

761.9411/72 : Telegram

The First Secretary of Embassy in China (Smyth) to the Secretary of State

PEIPING, January 30, 1941—noon.

[Received January 30—10:15 a. m.]

Following from Mukden for Peiping.

"1, January 29, 6 p. m. An American in the Hsinking Foreign Office divulged the following information concerning recent Soviet-Japanese negotiations, guaranteeing its authenticity:

No progress is being made because the Japanese want to sign the pact first and settle pending issues later whereas the Soviets want the

⁴ Sir Robert L. Craigie, British Ambassador in Japan.

⁵ Yosuke Matsuoka.

causes of conflict removed before signing, their condition for concluding a pact otherwise being the retrocession of Southern Saghaliën to Russia.

My informant added that inner circles in Hsinking consider the results of the Yoshizawa⁶ mission in the Dutch East Indies fateful, feeling certain that if they are unsatisfactory Japan will take military action against the Netherlands East Indies.⁷

Sent to the Department. Repeated to Chungking and Tokyo.

SMYTH

762.9411/221 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, February 7, 1941—6 p. m.

[Received February 8—1: 14 a. m.]

175. Embassy's 130, January 28, 7 p. m. The following is the substance of a telegram which my British colleague sent to London on February 5:

"Official of Ministry of Foreign Affairs has now sent me in strict confidence his translation of what Minister for Foreign Affairs actually said:

['I cannot deny that eventuality might arise when any joint actions might be carried to such an extent and in such a way as to be interpreted as "attack" provided for in article 3 of the pact. Apart from the tripartite agreement, Anglo-American cooperation and its development in the Pacific South Seas and China provide even us alone with a serious problem and we must constantly watch situation from diplomatic and military points of view. Development of the situation might force us to make an important decision in spite of my earnest desire to the contrary.(')']"

Sent to the Department via Shanghai.

GREW

761.94/1260 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

MOSCOW, February 9, 1941—4 p. m.

[Received 7: 50 p. m.]

238. My 205, February 1, 6 p. m.⁷ The Japanese Ambassador⁸ told me last night that the Japanese-Soviet trade negotiations have now been resumed in conjunction with the negotiations for a permanent fisheries convention. He added that political negotiations are

⁶ Kenkichi Yoshizawa, former Japanese Minister for Foreign Affairs.

⁷ Not printed.

⁸ Gen. Yoshitsugu Tatekawa.

"deadlocked" as Matsuoka has thus far declined even to discuss the surrender of the Japanese concessions in the Sakhalin territory. With respect to the trade negotiations, Tatekawa stated that the Japanese Government desires to obtain most-favored-nation treatment and the Soviet Government diplomatic status for what he described as "innumerable so-called commercial representatives" in Japan—a concession which he said the Japanese Government is prepared to make. He also stated that his Government has offered silk and rayon to the Soviet Government but that the latter maintains that it has no need for any substantial amount of those commodities. The Soviet Government, he said, had requested the Japanese Government to build tankers for it but the lack of the essential material made it necessary to refuse this request. At the last conference the Soviets requested rubber and tin and upon being informed that Japan does not possess those commodities, it was suggested that Japan probably could acquire them and transfer them secretly to the Soviet Government. The only other subject apparently thus far discussed has been that of the freight [rates of the?] Trans-Siberian Railway which the Japanese Government desires to have reduced. I have inferred from remarks recently made by the German Ambassador⁹ that the German Government also is interested in the reduction of these rates.

STEINHARDT

761.94/1274 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, February 16, 1941—4 p. m.
[Received February 17—9:08 a. m.]

239. According to a Domei report of Friday's session of the Budget Committee published in the *Japan Times and Advertiser* yesterday, the Foreign Minister in reply to a question stated that Japanese diplomacy was continuing its efforts begun at the conclusion of the tripartite alliance to bring about an adjustment of relations between Japan and the Soviet Union. Matsuoka, while warning of the difficulties and inevitable delays attending upon any negotiations with the Soviet Union, noted nevertheless with satisfaction the temporary settlement of the fishery issue, the appointment of commissions to consider the question of the north Saghalien concessions and the conclusion of a permanent fishery agreement as well as the negotiations for the conclusion of a trade agreement between Japan and the Soviet Union. In discussing the general trend of Soviet-Japanese relations, Matsuoka stated that while it is impossible to forecast the future

⁹ Count Friedrich Werner von der Schulenburg.

trend of events, the apparent willingness of the Soviet Government to settle outstanding questions was gratifying and remarked in this connection certain measure of mutual understanding had been reached between the Japanese Ambassador and Molotov¹⁰ and that as a result it would appear that the Soviet authorities were beginning to understand and were less suspicious of "the real intentions of Japan." He concluded with the statement that the Japanese Government is determined to utilize to the full the opportunity that has at last been presented for adjusting relations with the Soviet Union. In reply to a further question concerning the bearing of Article 5 of the tripartite alliance on the question of relations with the Soviet Union, Matsuoka is quoted as stating that this article exempting from the operation of the pact the relations between the signatories and the Soviet Union was not without concern to the Japanese Government and that should Soviet-Japanese relations between [*sic*] take a turn for the worse the Japanese Government could be depended upon to take steps to have Article 5 adjusted before such a contingency arose.

On the subject of the Anti-Comintern Pact¹¹ and its connection with Soviet-Japanese relations, Matsuoka stated that the Anti-Comintern Pact retained its validity as an instrument for combating communism but denied that it was demoralizing influence against the Soviet Union or had any direct bearing on the question of adjusting relations with that country.

Mr. Matsuoka's remarks, closed with the general tenor of Japanese press comment concerning the relations with the Soviet Union, reveal the continuing desire and effort of the Japanese Government to bring about an agreement with the Soviet Union.

Sent to the Department via Shanghai, repeated to Moscow.

GREW

761.94/1275 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Тоkyo, February 16, 1941—5 p. m.

[Received February 17—9:07 a. m.]

240. Continuing Embassy's 239, February 16, 4 p. m. In so far as I am aware, however, there is no reason to believe the political negotiations have made any progress since the refusal of the Japanese

¹⁰ Vyacheslav Mikhailovich Molotov, President of the Soviet Council of Commissars (Premier).

¹¹ Between Japan and Germany; signed at Berlin, November 25, 1936, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 153, and subsequently adhered to by other powers.

Government even to consider the Soviet demand for the cession of southern Saghalien and certain unspecified islands of the Kurili group consequent [*in return?*] for the conclusion of a nonaggression pact. However, the negotiations for the settlement of specific questions are continuing and the general trend of Japanese-Soviet relations would appear to be more favorable than otherwise.

Of indirect but possibly important bearing on the general development of Japanese-Soviet relations may be mentioned the growing differences between Chiang Kai-shek¹² and the Chinese Communists¹³ which have been greeted with unconcealed satisfaction by the Japanese press. If the reports appearing in the press here in regard to the demands presented to Chiang Kai-shek by the central organs of the Chinese Communist Party (inconceivable without prior approval from Moscow), publication of an article in *Pravda* on January 26 attacking Chiang Kai-shek for his attitude toward the Communists and the withdrawal of Soviet military advisers at Chungking are true, it would appear that the Soviet Government is giving full support to the Chinese Communists in their disputes with the Chiang Kai-shek Government.¹⁴ Since even the possibility of worsened relations between the Soviet Union and Chiang Kai-shek arising out of the latter's differences with the Communists might have a direct effect on the progress of the current Soviet-Japanese negotiations, I would appreciate receiving any information which the Department may have on this subject from Moscow or elsewhere.¹⁵

Sent to the Department via Shanghai. Repeated to Moscow.

GREW

761.93/1709 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, February 18, 1941—1 p. m.

[Received 4:23 p. m.]

298. The "article in *Pravda* on January 26 attacking Chiang Kai Shek for his attitude toward the Communists and the withdrawal of Soviet military advisers at Chungking" referred to in Tokyo's 240, February 16, 5 p. m., presumably is the Tass despatch from Chungking published in *Pravda* on January 27 and reported in my 175, January 27, 6 p. m.¹⁶

¹² President of the Chinese Executive Yuan (Premier) and Generalissimo.

¹³ See vol. v, pp. 454 ff.

¹⁴ See telegram No. 298, February 18, 1 p. m., *infra*.

¹⁵ The Department in its telegram No. 138, February 27, 9 p. m., replied that it did not have any information which might helpfully be added to that contained in telegram No. 298, February 18, 1 p. m., from the Ambassador in the Soviet Union, *infra*.

¹⁶ Latter not printed.

A careful re-check of *Pravda* for 26 and 27 fails to disclose any attack on Chiang Kai Shek or any reference to the withdrawal of Soviet military advisers at Chungking. It is possible, therefore, that Domei or other agency based on the Tass despatch in question may have been exaggerated when published in the Japanese press.

A review of the Embassy's newspaper files indicates that no article has been published recently in the Soviet press attacking Chiang Kai Shek or criticizing the disbandment of the 4th Army or disclosing the withdrawal of Soviet military advisers at Chungking.

Repeated to Tokyo.

STEINHARDT

761.94/1278 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, February 20, 1941—3 p. m.

[Received 8:56 p. m.]

318. The Japanese Ambassador told me last night that, although the attitude of Molotov and Mikoyan¹⁷ of late had been more friendly and that they are now showing a real interest in reaching an agreement, no progress has been made in the political negotiations as his government does not feel it can agree to the Soviet demands with respect to the concessions on Sakhalin or cede any territory. He added that an important section of Japanese public opinion would bitterly oppose such action and that there is also a strong anti-Communist feeling in other important Japanese circles which would severely attack the government. He said that the trade negotiations are moving slowly and that he personally is not convinced of the wisdom of his government's willingness to grant diplomatic status to Soviet "commercial" representatives. He doubted that the political negotiations could or would make any progress until the trade matters had first been disposed of. Tatekawa further said that in order to bring pressure to bear on the Japanese Government the Soviets had recently been deliberately interfering with the operation of the Sakhalin concessions so that at the present time some of them are at a standstill and that the Soviets are still insisting that Japan obtain rubber and tin for them. The Soviets at the same time are continuing to maintain the tariffs on the Trans-Siberian Railroad at an extravagantly high rate—as Japan does not enjoy most-favored-nation treatment—so that the movement of exports to Germany is being seriously interfered with.

In this connection he remarked that German imports over the Trans-Siberian had of late been averaging 1500 tons per day (in contrast with the British Commercial Attaché's estimate of 800 tons per

¹⁷ Anastas Ivanovich Mikoyan, Soviet Commissar for Foreign Trade.

day average for the last year), a good portion of these shipments consisting of soy beans. The Ambassador remarked that the Germans are exerting every possible effort to obtain as much oil and fats of every kind as possible and that due to the curtailment of Norwegian and British whaling operations Japan now virtually enjoys a monopoly and is shipping large quantities of whale oil to Germany over the Trans-Siberian, the quantities being limited only by the shortage of whaling vessels of which he said "we could use four or five more big ones".

In connection with Soviet shipping in the Pacific the Ambassador said that Soviet ships are not available to relieve the Japanese shortage as they appear to be engaged in importing necessities for the Soviet Union and for the Germans at large profits in the latter case as the Germans are willing "to pay any price" for fats and oils.

STEINHARDT

740.0011 P.W./131a : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, February 21, 1941—4 p. m.

122. It is suggested that you may wish in your discretion, in conversations with influential Japanese, to state that reports of the presence of large numbers of Germans in Japan and continually arriving there, together with the nature of the increasing collaboration between Japan and Germany, have led to a widely expressed view in the United States that Japan appears to have surrendered to Germany, to a considerable degree, her freedom of action. In this connection it is being pointed out that German pressures exerted upon Italy have obviously contributed to bringing about Italian action that has patently not been in Italy's best interests. The query is raised as to why, in the light of this recent and tragic example of Germany's disposition to use her associates for her own ends and without regard to their interests, the Japanese are not more wary of the many kinds of advice which they are apparently receiving from German sources.

HULL

761.94/1279 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow [undated.]

[Received February 21—11:40 p. m.]

339. Following telegram has been sent to Tokyo.

February 21, 7 p. m. For the Ambassador. During the past 2 or 3 weeks the British Ambassador¹⁸ has informed me of numer-

¹⁸ Sir Stafford Cripps.

ous telegrams received by him from Craigie tending to indicate the imminence of an important Soviet-Japanese political agreement. Last night he said that he had just received a telegram from Craigie to the effect that Matsuoka will soon leave for Moscow for the purpose of signing a nonaggression pact. As my information has been and still is to the effect that the political negotiations between the Soviet Union and Japan have made relatively little progress during the past few weeks and that they will not be seriously resumed unless and until the present trade discussions are satisfactorily concluded, I should appreciate your views as to whether such an agreement is actually imminent so that I may gauge the extent to which I should rely on statements [which] were recently made to me by the Japanese Ambassador. I understand that when the new Japanese Ambassador to Berlin¹⁹ passed through here a few days ago he brought special instructions from Matsuoka which may explain the apparent discrepancy between my information and Craigie's telegrams.

Repeated to the Department.

STEINHARDT

862.00/3990 : Telegram

The Minister in Rumania (Gunther) to the Secretary of State

[Extracts]

BUCHAREST, February 26, 1941—5 p. m.

[Received February 27—11:59 a. m.]

191. The following is from a highly reliable contact who in giving me this interesting information has expressed the hope that it will reach the competent authorities in London:

1. Differences have arisen between Goering²⁰ and Ribbentrop²¹ due to the fact that the former does not agree with the latter's Russian policy. Goering, it would appear, is of the opinion that more pressure should be exercised on Russia inasmuch as Germany is getting no return for the enormous concessions granted that country. Ribbentrop is now working on a nonaggression agreement between Russia and Japan and at the same time is trying to persuade the former country to stop deliveries to Chiang Kai Shek (both Germany and Japan it seems are bitterly disappointed that Chiang Kai Shek still refuses to enter into peace negotiations with the latter notwithstanding what they consider an attractive offer already made him); he is

¹⁹ Gen. Hiroshi Oshima.

²⁰ Reich Marshal Hermann Wilhelm Göring, successor-designate to the German Chief of State, chairman of the German War Cabinet, etc.

²¹ Joachim von Ribbentrop, German Minister for Foreign Affairs.

consequently against pressing Russia at the moment and in this has Hitler's ²² backing.

3. Germany has given Japan a free hand in the Dutch East Indies on the understanding that later on German economic concerns will secure concessions there.

GUNTHER

761.94/1283 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

ТOKYO, February 27, 1941—1 p. m.
[Received February 27—7: 55 a. m.]

321. An official of the Japanese Foreign Office, formerly stationed in the Japanese Embassy in Moscow, in private conversation with a member of my staff expressed the opinion that barring a sudden change in the attitude of the Soviet Government there was very little probability of the conclusion of a Soviet-Japanese nonaggression pact in the near future. He said that following the deadlock reached last December as a result of the impossibly high price asked by the Soviet Government, the political negotiations by mutual consent had been shelved pending the solution of certain outstanding questions between the two countries. At the present time, aside from routine discussions concerning the North Saghalien coal and oil concessions and the work of the commission for the demarcation of the Mongolian-Manchurian border, the only active negotiations in progress between the Japanese and Soviet Governments were those taking place in Moscow relating to a permanent fisheries convention and the conclusion of a commercial agreement. The official added as his personal opinion, based on his experience in Moscow, that Soviet policy in regard to Japan at the present time was primarily motivated by a desire to promote a Japanese-American war from which the Soviet Union would be the sole beneficiary and that, therefore, the possibility could not be excluded that the Soviet Union was deliberately delaying the conclusion of a political agreement with Japan until such a time as would best serve that purpose.

With reference to the current rumors of an impending visit of the Japanese Foreign Minister to Europe, the official stated that in view of the present status of Soviet-Japanese relations, should such a visit take place it would not have as its immediate purpose the conclusion of a pact of nonaggression with the Soviet Union but would probably be merely a visit of courtesy and consultation to Germany and Italy.

²² Adolf Hitler, German Chief of State, Führer and Chancellor.

Sent to the Department. Repeated to Moscow. Moscow please repeat to Berlin.

GREW

761.94/1284 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, February 28, 1941—2 p. m.
[Received 3:14 p. m.]

389. Following has been sent to Tokyo:

"I very much appreciate your 321, of February 27, 1 p. m., as I am now convinced that my Japanese colleague has been entirely [accurate?] and sincere during the past 2 or 3 months in his statements to me concerning the status from time to time of the Soviet-Japanese negotiations and that I may in consequence place reliance on any further information that I may obtain from him.["]

STEINHARDT

762.94/467½ : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, March 11, 1941—9 p. m.
[Received 11:45 p. m.]

484. The Japanese Ambassador told me last night that Matsuoka is now expected to arrive in Moscow on March 23 and to leave for Berlin on March 24. He said that an invitation to stay at the "Guest House" had been extended to Matsuoka by the Soviet authorities which he expected him to accept. Tatekawa is giving a dinner on March 12 for Molotov, the latter having suddenly accepted an invitation extended to him many weeks ago. The Ambassador told me that whereas no progress has been made of late in connection with the fisheries convention the commercial discussions have advanced considerably but are now being delayed by the "lack of understanding" and "pettiness" of officials in the Japanese Foreign Office charged with passing on certain minor points. He said that the subject of transit rights is still the principal subject of discussion.

Tatekawa told me in the strictest confidence that Matsuoka's visit to Berlin is "camouflage" as his real purpose is a desire to talk to Molotov in an endeavor to persuade him to enter into a political agreement with Japan. He said that Matsuoka had "nothing he wanted

to discuss" with Hitler or Mussolini²³ and that his visit to Hitler is being made at German insistence and is primarily a courtesy to which he had agreed at the time of the signing of the Tripartite Pact. He expressed considerable doubt as to Matsuoka's ability to "talk Molotov into an agreement" and seemed to derive some amusement from the fact that whereas Hitler had invited Matsuoka to Berlin for the purpose of endeavoring to "talk him into some kind of action" Matsuoka had accepted Hitler's invitation in order to be afforded the opportunity of "talking Molotov into a political agreement". The Ambassador expressed the opinion that Hitler would not endeavor to push Japan into war with the United States as he did not believe that Germany wished to go to war with the United States. He also said that he did not believe that his Government had any intention of "going further south than Indochina" and repeated his previous statement to me (see my 427, March 3, 7 p. m.²⁴) that only interference by the United States with Japanese oil supplies could precipitate Japanese action.

Repeated to Tokyo.

STEINHARDT

762.94/472½ : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, March 12, 1941—8 p. m.

[Received March 12—1 p. m.]

398. 1. We have received information from a reliable source that the Minister for Foreign Affairs yesterday told a close friend of his that he did not exclude the possibility of visiting England during the course of his travels in Europe.

2. One of my colleagues who saw Mr. Matsuoka yesterday tells me that Mr. Matsuoka affected to be annoyed over the exaggerated importance being placed on his forthcoming visit to Berlin. According to my informant Mr. Matsuoka said in effect, "I am told that Ribbentrop is a terrible liar but I want to see for myself whether he is or not. I would also like to visit France if possible as I would only be too happy to contribute toward saving France from further hardship; but I shall not make up my mind until I have arrived in Moscow."

3. If the foregoing information is used by the Department it is important to avoid creating an assumption as to its source or that it emanates from this Embassy.

GREW

²³ Benito Mussolini, Italian Head of Government and Prime Minister.

²⁴ Not printed.

762.94/473½ : Telegram

*The Ambassador in Japan (Grew) to the Secretary of State*Tokyo, March 12, 1941—10 p. m.
[Received March 12—2: 23 p. m.]

400. Aside from the obviously inadequate official announcement that Matsuoka's visit to Berlin and Rome is one of courtesy, no even reasonably authoritative information is available in Tokyo concerning the real purpose or hoped for results of his visits. Press comment has so far largely avoided any mention of an intention to stop over in Moscow either going or coming, and it is perhaps significant that the *Hochi* this morning had a paragraph relating to a possible stay in Moscow deleted by the censor.

Accordingly, the following views as to the significance and possible or probable aims of the visit are of necessity speculative in nature and are deduced solely from the present position of Japan both internal and external.

It is generally conceded, and indeed recently a prominent Japanese has frankly stated in private conversation with members of my staff, that one of the main purposes of the Tripartite Pact from the Japanese point of view was the expectation that it would result in the conclusion of a political agreement with the Soviet Union, which in turn would greatly facilitate the satisfactory termination of the conflict with China. These expectations have failed thus far to materialize and from the Japanese point of view the Tripartite Pact has produced no concrete benefits but has on the contrary seriously impaired Japanese relations with the United States and Great Britain.

In view of the fact that only in regard to Soviet Russia could Japan's Axis partners conceivably exert any direct influence, it would appear logical that in so far as Matsuoka's visit to Berlin has any specific or concrete purposes apart from general consultation and fact-finding it centers around the problem of Soviet-Japanese relations. On the basis of our information here as well as that repeated from the Embassy at Moscow there is little justification for the view that the immediate purpose of the Matsuoka visit is to conclude a prearranged agreement with Soviet Russia. It appears much more likely that Matsuoka is proceeding to Berlin to explain in person to Hitler the difficulty of Japan's present position and Japan's concern over the failure of the Russians to conclude an agreement with Japan on any reasonable terms, and to attempt to enlist Germany's support in inducing the Soviet Government to modify its conditions to a point acceptable to Japan. It is of course not possible from here even to attempt to estimate what chances of success Matsuoka has of inducing Germany to undertake to bring pressure upon the Soviet Union, nor what chances

of success such pressure might have upon the policies of the Soviet Union. The effect on Japan's policy in general and on its association with the Axis powers in particular of a refusal on the part of Hitler to exert pressure on the Soviet Union or the failure of his efforts if exerted, especially in view of the internal difficulties outlined in Embassy's No. 340 [390], March 11, 8 p. m.,²⁵ is a matter of great potential importance.

Certain foreign circles in Tokyo incline to the view that the visit has been in large measure induced by Matsuoka's well-known predilection for personal aggrandizement. The suggestions which he has thrown out that he might possibly visit England and France would indicate that he has not wholly thrust aside the tempting thought of assuming the role of mediator in the European conflict. I do not however believe that the personal factor was in itself a controlling element in his decision to undertake such an unprecedented visit but it is nevertheless true that Matsuoka is to some extent gambling his present and future position upon the success or failure of his present mission since if he returned empty-handed not only his position but that of the Konoye²⁶ Cabinet and the policies it represents would be dangerously compromised.

In the light of the foregoing it would appear that the real result of Matsuoka's visit to Berlin (his visit to Rome is clearly one of courtesy designed to soothe Italian *amour propre*) will probably not be revealed until his stop over in Moscow on his way home, and while as indicated above there is no real ground for believing that the signature of an agreement with Russia is the pre-arranged and immediate purpose of his visit, some such agreement would appear to be the hoped for result.

Sent to the Department; repeated to Moscow. Moscow please repeat to Berlin and Rome.

GREW

762.94/481 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, March 18, 1941—2 p. m.

[Received 9:16 p. m.]

993-994. The German Government hopes that the result of Matsuoka's visit will be to bind Japan thoroughly to the Axis. An impressive showing will be staged to convince him of the irresistible force of the German military machine and the certainty of its victory over England. In such efforts the German Government will have the

²⁵ *Ante*, p. 69.

²⁶ Prince Fumimaro Konoye, Japanese Prime Minister.

valuable aid of Ambassador Oshima who in his previous service here as Military Attaché and Ambassador has been a persistent partisan of Japan's military alliance with the Axis. Further it seems altogether possible that Germany may be able to present Matsuoka with a spectacle of a new German political or military success in Greece or Yugoslavia.

A prominent German indicated recently in private conversation that while the Reich desired to clinch Japan's adherence to the Axis it was worried lest Japan take advantage of the alliance to essay some extremist coup in the Pacific with England, bring the United States into the war, an occurrence, he said, which Hitler has been determined to prevent despite exasperation over American aid to Britain. According to this information the role assigned by the Axis to Japan is one of menace which would prevent all-out American naval and other aid to Britain but would stop just short of any action which might involve America in the war.

If this information is correct then the German line would seem to be to persuade Matsuoka that in a short time Germany will have decisively defeated or disabled Great Britain at which time it will really extend effective political and, if necessary, military support to Japanese claims. It may be assumed that Matsuoka will discuss Russia's attitude toward Japan but so far I have personally heard no rumor or speculation here that Germany will be asked or is prepared to exert effective pressure to induce Russia to modify or abandon its anti-Japanese policies.

The view has been expressed here that Germany was disappointed at the tardiness of Matsuoka's visit. The Foreign Office had hoped to have him arrive here while the Lease-Lend Bill²⁷ hearings were still in progress and to stage a declaration which it was thought might have an effect on the measures taken under the bill. Apprehension is probably felt here lest continued statements be made or new measures occur in England or America before the time of the visit which might deter the Japanese Government and Matsuoka from entering into closer engagements with the Axis.

It is generally felt that Matsuoka's absence from Japan is a tacit assurance that Japan will not undertake any provocative action during his absence. It is also not lost sight of that Matsuoka may have the hidden purpose of finding a formula to disengage his country from the folly of its adherence to the Three Power Pact in view of the determined attitude of the United States against totalitarian aggression which culminated in the Lease-Lend Bill, the passage of which may have prompted Matsuoka to accept suddenly a long-standing in-

²⁷ Approved March 11; 55 Stat. 31.

visitation to visit Germany and Italy. His visit to Italy undoubtedly is to form a first-hand impression of Italian public morale and military strength rather than a mere courtesy visit.

Repeated to Tokyo via Moscow and Rome.

MORRIS

761.94/1300

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] March 20, 1941.

After the conclusion of the general conference with the Soviet Ambassador²⁸ this afternoon, I asked the Ambassador to remain in order that I might talk with him alone for a few minutes. I said to the Ambassador that in the same friendly, personal and confidential way in which I had spoken to him a few weeks ago, I desired him to know that this Government believed that the chief interest which Foreign Minister Matsuoka had in his present trip through Russia to Berlin and to Rome was to endeavor to find some basis of agreement with the Soviet Government of a political character which would result in tying up the Soviet Union in such a manner as to give Japan a free hand in the western part of the Pacific. I said that this Government believed that the policy which it itself had pursued in its relations with Japan during recent years, namely, leaving Japan in a state of complete uncertainty as to the action which this Government might take in the event that Japan pursued a policy which would be regarded here as directed against the interests of the United States, had been beneficial in its results. I said, as I had earlier said to the Ambassador in previous conversations, that I believed both the Soviet Union and the United States were equally interested in the maintenance of peace in the Pacific, as well as in the preservation of territorial integrity and independence of China, and I added that it was for that reason, as well as because of the friendly relations existing between the Soviet Union and the United States, that I had felt warranted in making these observations to the Ambassador.

The Ambassador expressed great appreciation of what I had said and said that he individually shared my opinion. I gathered, however, that he very definitely was of the opinion, from information which he had recently received (although he did not state this specifically), that Matsuoka was not going to make any effort to negotiate a political agreement in Moscow and was interested solely in getting to Berlin. The impression I received was that the Ambassador believed that it was more likely that Germany and Japan might reach an agreement directed against Russia than that Germany would attempt to bring

²⁸ Konstantin Alexandrovich Umansky; no record of general conference found in Department files.

pressure to bear upon Russia to reach a political agreement with Japan.

S[UMNER] W[ELLES]

762.94/484 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, March 24, 1941—3 p. m.
[Received March 25—7:30 a. m.]

581. For the President, Secretary and Under Secretary. On the invitation of the Japanese Ambassador I was afforded an opportunity of talking with Matsuoka for an hour this morning. Unfortunately he had not yet seen Molotov with whom he has an appointment late this afternoon only a few hours before his departure for Berlin. It is quite possible that he will see Stalin²⁹ at the same time. Matsuoka emphasized that his visit to Berlin is primarily for the purpose of making the personal acquaintance of Hitler and Ribbentrop whom he has not met and in order "to size them up." He said that it seemed absurd to him as the Foreign Minister of one of the signatories to the Tripartite Pact not to have made the personal acquaintance of Hitler and Ribbentrop after the lapse of six months and that he desires to hear from them personally exactly what they have in mind and what their plans are. He said it is his intention to ask Hitler point blank whether he intends to attack the Soviet Union as it is of vital importance to Japan to know Germany's future intentions toward the Soviets. I judge that any decisions Matsuoka will make on his return to Moscow will be predicated on the information given him in Berlin as to whether or not Germany contemplates an attack on the Soviet Union.

When I asked Matsuoka whether it was his intention to visit Vichy he said he hoped to do so and that he also had in mind "if he could arrange it within the limited time at his disposal" to visit the capitals of several of the occupied countries.

In so far as concerns the progress of the war, Matsuoka expressed the opinion that the Germans have a great advantage in their ability by submarines and aircraft to seriously impede British imports but he did not give me the impression that he regards the British position as hopeless. He said he has "some ideas" on the subject of the new order both in Europe and the Far East and also on the general subject of world peace which he intends [apparent omission] in his reaction.

In so far as concerns the Far East he was emphatic in his statements that Japan would under no circumstances attack Singapore or any of

²⁹ Iosif Vissarionovich Stalin, Secretary General of the Communist Party of the Soviet Union.

the Dutch, British, or American possessions and insisted that Japan has no territorial ambitions. He said that Japan was prepared at any time to join the United States in guaranteeing the territorial integrity or independence of the Philippines. He referred to the outcome of his mediation of the Thailand-French Indochina dispute as evidence of Japan's lack of territorial ambitions.³⁰ Matsuoka said that Japan would not go to war with the United States. He added that his reading of American history indicated that it was the United States which went to war with other countries and that should a conflict take place it would be only as the result of affirmative action by the United States.

Matsuoka expressed his ardent desire to liquidate the war in China as soon as possible. He said that Chiang Kai-shek was relying upon American help and that the President was in a position to bring the Japanese-Chinese conflict to an end at any time on terms satisfactory to all concerned if he would use his influence in this direction with Chiang Kai-shek. When I asked him whether he had in mind terms which he was convinced would be entirely acceptable to Chiang Kai-shek and of which the President would approve, he said that he had recently sent instructions to Nomura³¹ to take up the subject with the President and to discuss with him the terms upon which the Japanese-Chinese war could be brought to an end.³² He said that the present was the time "for statesmen to take decisive action" and that "what matters are the big things and not the little ones" and expressed the view that the President has a splendid opportunity "to clear up the entire situation in the Far East" by discussing with Nomura the terms on which the war with China could be terminated. He then made the following comment:

"I wish Roosevelt and Hull would trust me. I do not blame them for not having confidence on the record of the last few years but if they will trust me I will prove to them that we have no territorial or economic ambition and if an understanding should be reached which we all regard as reasonable and elements in Japan should oppose it I would fight them to put it through."

In reply to this statement I merely suggested to him that he give Nomura the most explicit instructions as to exactly what he had in mind as the basis for terminating the war with China and that he leave nothing to chance or misunderstanding. At this point he was again emphatic in his insistence that the terms he had in mind "would be acceptable".

³⁰ See also vol. v, pp. 1 ff.

³¹ Adm. Kichisaburo Nomura, Japanese Ambassador in the United States.

³² With regard to the Japanese Ambassador's visit to President Roosevelt, see memorandum by the Secretary of State, March 14, p. 77; see also subsequent correspondence.

Matsuoka said that any fears expressed in the United States, that supplies of tin and rubber might be interfered with, were "ridiculous" as obviously these commodities were for consumption in the only market large enough to absorb them—the United States—and that it would be folly to interfere with their export to the United States.

As to Japanese-Soviet relations, he was vehement in his denunciation of communism and said that under no circumstances would the Japanese people ever accept communism. He added that any clash between Japan and the United States could only benefit the Soviet Union and would unquestionably result in the "communization" of China and probably all of the continental Far East. He admitted frankly that it is his intention to endeavor to reach a political agreement with the Soviet Government but intimated that he is not disposed to pay an excessive price and that he has little confidence the Soviet Government would keep any such agreement longer than suited its purpose. He expressed the view that it is in the interest of the Soviet Union to encourage war between the United States and Japan and that he was well aware of the harm that would result to Japan from any such conflict. He added that if the United States defeated Japan the whole Asiatic mainland would be "communized" but that "Japan would arise 30 years later stronger than before."

Matsuoka asked me if I had any reason to believe that an understanding exists between Germany and the Soviet Union with respect to Finland to which I replied that I had heard of none. He expressed the opinion that the failure of the Soviet Union to take action in the Balkans to check Germany was the result of fear.

Upon leaving Matsuoka, I expressed the hope that he would lunch or dine with Mrs. Steinhardt and myself upon his return to Moscow, to which he replied that he would be glad to do so "provided I stay over at all". When I expressed my surprise, saying that I understood he intended to stay at least 2 or 3 days in Moscow, he said, "That is by no means certain, but will depend upon the outcome of my talks."

Please repeat all or part of the foregoing to Tokyo only.

STEINHARDT

762.94/485 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, March 24, 1941—midnight.

[Received March 25—9:02 a. m.]

586. The Rumanian Minister told me this afternoon that Matsuoka received the Chiefs of Mission of the Axis and associated powers this morning and addressed the following remarks to them:

1. Japan was "one hundred percent with the Axis."

2. His visit to Berlin and Rome was for the purpose of conferring with Japan's "allies" as under existing conditions no nation acted alone but only as part of a "bloc" and that the "character of his visit" in Moscow on his return trip would depend entirely upon the result of his conversations in Berlin and Rome. He then made the categorical statement that he would not go "beyond Berlin and Rome and had no intention of going elsewhere". It is interesting to contrast this statement with his remark to me that he desired and intended if possible to visit Vichy and several occupied capitals (see my 581, March 24, 3 p. m.).

3. Japan wants peace and had not entered the Tripartite Pact to make war but to maintain peace and specifically to "prevent the United States from entering the war." He was convinced that the United States would not enter the war but if it did Japan would do likewise and fight with its allies.

4. According to his information, the United States could not "increase its production substantially before June" and could not give "decisive help" to England before the end of 1941. By then England would be beaten although, of course, an empire as big as the British could not collapse "in a day or two."

5. After the collapse of the British Isles, the United States would "not continue the struggle" but would withdraw and "think of its own interests and affairs." He said that the continuance of the war by the United States aided by the British fleet and dominions was a "chimera". The possibility that England could continue the war by transferring its capital to Canada or elsewhere was "to his personal knowledge" an illusion.

At the close of Matsuoka's remarks, the Bulgarian Minister asked him his ideas concerning the Balkan situation to which he replied that he believed Germany and Italy would succeed in persuading Greece to conclude peace "now that Yugoslavia is entering the Tripartite" and that he could not imagine that Greece would continue a hopeless fight against two great powers. Matsuoka added that as soon as Greece made peace Turkey would not be able to do anything and "peace would be assured in the Balkans." He said he did not believe Greece could expect effective help from Britain sufficient to enable it to continue resistance and expressed the opinion that as the Greeks were "intelligent" they would consider their own best interests.

At this point the Rumanian Minister remarked that it seemed to him that everything depended on how the Greeks "played their cards" and on the conditions Germany might offer as a basis for peace, to which Matsuoka replied that he knew and could state definitely that Germany had no desire to force the issue and would do its best to convince Greece by diplomatic means that it was in its interest to make peace.

761.94/1291 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, March 25, 1941—3 p. m.
[Received March 25—12:41 p. m.]

587. The Moscow press today publishes an official announcement stating that yesterday Matsuoka accompanied by Tatekawa was received by Molotov and that Stalin was present at the meeting which lasted more than an hour.

The press also reports the departure of Matsuoka for Berlin last evening.

STEINHARDT

762.94/496 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, March 29, 1941—10 a. m.
[Received March 29—3 a. m.]

480. The following background information concerning Matsuoka's trip was received from a member of the immediate family of former Ambassador to Moscow, Togo.

1. Last October a political agreement between the Soviet Union and Japan was virtually ready for signature. (This confirms reports current in Moscow at that time.) But Matsuoka desired that "his personal friend Tatekawa" should have the honor of signing it and therefore sent him to Moscow to replace Togo who had conducted the entire negotiations. However, following Tatekawa's arrival the Soviet position stiffened and impossibly high conditions were asked for an agreement. In January Matsuoka asked Togo's advice as to the advisability of making a trip to Moscow in an endeavor to straighten matters out. Togo strongly recommended such a trip as the only means of obtaining any agreement with the Soviet Union.

2. "Every informed Japanese" is aware that one of the immediate objects of Matsuoka's visit is to complete an agreement with Russia and in as much as his personal prestige is therefore so deeply involved, it is expected in Foreign Office circles that he will make every effort to return with some form of agreement with the Soviet Union.

The foregoing information of course, relates exclusively to the Soviet aspect of Matsuoka's trip.

Sent to the Department, repeated to Moscow.

GREW

762.94/518

*Memorandum of Conversation, by the Under Secretary of State
(Welles)*

[WASHINGTON,] March 31, 1941.

The British Ambassador called to see me at his request.

With regard to the inquiry contained in the attached *aide-mémoire*³³ relative to Mr. Matsuoka's trip to Europe, I subsequently told Lord Halifax after I had discussed the question with Secretary Hull that the reaction of this Government would be that if Mr. Matsuoka officially asked for the opportunity of making a visit to Washington, this Government would reply that the United States would be glad to welcome him, as it would any other distinguished official of a country with which we are on friendly terms. I said, however, that this Government would take no initiative in the matter.

Lord Halifax replied that this was exactly his own point of view as to the attitude which his Government should take.

S[UMNER] W[ELLES]

762.94/503: Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, April 1, 1941—2 p. m.

[Received 8:25 p. m.]

1215. In diplomatic and journalistic circles in Berlin, opinion seems to be about equally divided as to whether Matsuoka's visit has resulted in Japanese agreement to undertake some important military action in concert with the Axis Powers.

As far as is known none of the diplomatic missions of neutral countries here pretends to have any authentic information as to what was said in the discussions with Matsuoka. It is known, however, that Matsuoka said in private conversation to a personal friend here that he was urging on German officials and would urge at Rome that the Axis should take no step which would involve any extension of the war. He is also quoted as having said that he desired to pay a visit to Pétain and that the Germans were willing to have him do so but the Italian Government had registered strenuous objection.

His friends inquired whether he had any thought of continuing his trip to London and Washington and Matsuoka said that he would like nothing better but that such a trip would obviously be unwelcome to Berlin and that there were also against it the difficulties of travel and

³³ Not printed.

the necessity of not being too long absent from Japan. In the conversation reference was made to the views of a former foreign Ambassador in Japan to the effect that Japan's policy must aim toward the preservation of good relations with England. Matsuoka while avoiding direct comment on this policy stated that he had the greatest respect for its author and his views. The other party to the conversation professes to be unable to judge whether Matsuoka was sincere in his expressions and intimations that Japan was against involvement in the war, whether he was indulging in mystification or was merely being polite toward an individual who, he felt rather sure, was not in sympathy with Germany's present policy. It is known that Matsuoka deliberately sought to bring about this conversation.

Repeated to Tokyo via Moscow.

MORRIS

740.0011 European War 1939/9559 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 2, 1941—10 p. m.

[Received April 2—9:45 p. m.]

1288. For the Secretary and Under Secretary. When I was at Chequers with the Prime Minister⁸⁴ at the last weekend, he allowed me to read the draft of a personal note he planned to send Mr. Matsuoka, Japanese Foreign Minister. He told me the Japanese Ambassador⁸⁵ had asked the Foreign Office to facilitate his air passage to Lisbon to meet his Foreign Minister. It was the Prime Minister's intention to request the Ambassador to deliver this note to Mr. Matsuoka in person.

The Japanese Ambassador for some reason, however, decided not to make the trip. The Foreign Office at my request has kindly made a copy of the note available and Sir Alexander Cadogan⁸⁶ informed Johnson⁸⁷ that it was cabled to Sir Stafford Cripps for delivery to Mr. Matsuoka on his arrival at Moscow, with the explanation that it was originally intended to send the note by the hand of the Japanese Ambassador.

Saturday, in returning my call, the Japanese Ambassador, after customary polite exchanges, told me that he and Mr. Kennedy⁸⁸ had been friendly. The Ambassador then told me that he felt it was

⁸⁴ Winston Churchill.

⁸⁵ Mamoru Shigemitsu.

⁸⁶ British Permanent Under Secretary of State for Foreign Affairs.

⁸⁷ Herschel V. Johnson, Minister Counselor of Embassy in the United Kingdom.

⁸⁸ Joseph P. Kennedy, former Ambassador in the United Kingdom.

necessary that the three great naval powers when peace returned should work together. To this I made no comment. He made no mention of the contemplated trip to the continent nor of the note to Mr. Matsuoka referred to above. The Ambassador was most courteous and we had a pleasant interview.

The text of the Prime Minister's note to Mr. Matsuoka follows:

"I take advantage of the facilities with which we have provided your Ambassador to send you a friendly message of sincerity and good will.

I venture to suggest a few questions, which it seems to me deserve the attention of the Imperial Japanese Government and people:

1. Will Germany, without the command of the sea or the command of the British daylight air, be able to invade and conquer Great Britain in the spring, summer, or autumn of 1941? Will Germany try to do so? Would it not be in the interests of Japan to wait until these questions have answered themselves?

2. Will the German attack on British shipping be strong enough to prevent American aid from reaching British shores with Great Britain and the United States transforming their whole industry to war purposes?

3. Did Japan's accession to the triple pact make it more likely or less likely that the United States would come into the present war?

4. If the United States entered the war at the side of Great Britain, and Japan ranged herself with the Axis Powers, would not the naval superiority of the two English speaking nations enable them to dispose of the Axis Powers in Europe before turning their united strength upon Japan?

5. Is Italy a strength or a burden to Germany? Is the Italian fleet as good at sea as on paper? Is it as good on paper as it used to be?

6. Will the British air force be stronger than the German air force before the end of 1941, and far stronger before the end of 1942?

7. Will the many countries which are being held down by the German army and Gestapo learn to like the Germans more or will they like them less as the years pass by?

8. Is it true that the production of steel in the United States during 1941 will be 75,000,000 tons, and in Great Britain about 12½, making a total of nearly 90,000,000 tons? If Germany should happen to be defeated, as she was last time, would not the 7,000,000 tons steel production of Japan be inadequate for a single handed war?

From the answers to these questions may spring the avoidance by Japan of a serious catastrophe, and a marked improvement in the relations between Japan and the two great sea powers of the West."³⁹

WINANT

³⁹ In telegram No. 534, April 10, 10 p. m., the Ambassador in Japan reported that in the text of the note given him by the British Ambassador in Japan, who was under instruction to present it to the Japanese Prime Minister, the last sentence ended as follows: "between Japan and Great Britain, the great sea power of the West." (740.0011 European War 1939/9834)

761.94/1301 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 3, 1941—4 p. m.
[Received April 4—3 : 45 a. m.]

666. For the President, Secretary, and Under Secretary. The Japanese Ambassador last night gave me the following account of the meeting between Matsuoka, Stalin, Molotov and himself with Miyakawa, Secretary of the Japanese Embassy as interpreter :

“Molotov greeted us and a few moments later Stalin walked into the room. The meeting lasted exactly one hour. Matsuoka at once started to talk about Japanese ideology and became more and more enthusiastic as he proceeded. His lecture continued for 58 minutes. He began with the status of the Emperor, continued through the structure of Japanese political and economic life and concluded by stating that the Japanese were not Communists politically or economically but that there was a close parallel between communism and Japanese family life. When Matsuoka had finished Stalin remarked that in spite of the difference between Soviet and Japanese ideology he could see no reason why ‘we cannot be friends’ and turning to Molotov asked him whether he shared that opinion. Molotov agreed. That was the end of the interview.”

The Ambassador said that no “business” of any kind was discussed. He does not expect Matsuoka to see Stalin again on his return visit although he said the possibility could not be excluded. He expects Matsuoka to “talk business” with Molotov. I asked the Ambassador’s opinion as to the prospects for a political agreement. He replied that he did not think the prospects were any too promising but that “Matsuoka will have to do something.”

The Ambassador expects Matsuoka to arrive in Moscow on April 7 although that date is not yet certain and to depart either on the 10th or 13th. He said that Matsuoka had been anxious to visit Vichy, Paris and at least one or two of the occupied capitals but that the Germans “apparently did not want him to” and doubted that Matsuoka would press the point.

Repeated to Tokyo.

STEINHARDT

740.0011 European War 1939/9559 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 3, 1941—8 p. m.

1130. Your 1288, April 2, 10 p. m. This Government believes that the question asked in paragraph numbered 4 of section 2 of your

telegram under reference might as it stands give rise to undesirable inferences. We are confident that the British Government would not wish to cause or to encourage an assumption on the part of any other nation that the British Empire might temporarily abandon the defense of its interests in some particular region. As for this Government, we do not wish that any other government make any assumption that the United States will not expect or will not be able to give adequate and appropriate protection to its interests in any area.

Please bring these observations orally and in strict confidence to the attention of an appropriate official of the British Government.

HULL

761.9411/73 : Telegram

The Ambassador in China (Johnson) to the Secretary of State

CHUNGKING, April 5, 1941—9 [a. m. ?]

[Received April 5—6 : 50 a. m.]

127. The Foreign Minister⁴⁰ informed me yesterday that he had received a "reliable but unconfirmed" report from Moscow to the effect that when Matsuoka was recently received by Stalin and Molotov he approached the latter and suggested the continuation of negotiations said to have been initiated during the incumbency of Litvinov as Soviet Foreign Minister for the conclusion of a nonaggression pact between Japan and the Soviet Union; and that Matsuoka was informed in reply that while it is the policy of the Soviet Union to negotiate nonaggression pacts with its neighbors in the case of Japan it would be necessary to bring about a restoration of the *status quo ante* of the Portsmouth Treaty⁴¹ before the Soviet Union would consider the conclusion of such a pact with Japan. The Foreign Minister, who seemed to think that the report had some basis in fact, expressed the view that the Russian counterproposal was tantamount to a "polite refusal" of Matsuoka's proposal.

Sent to the Department, repeated to Peking.

JOHNSON

765.94/152 : Telegram

The Ambassador in Italy (Phillips) to the Secretary of State

ROME, April 5, 1941—6 p. m.

[Received 7 : 40 p. m.]

[469.] Embassy's 456 and 457, April 4.⁴² I have learned on the best authority that during his conversations with the Pope and the

⁴⁰ Wang Chung-hui.

⁴¹ Signed September 5, 1905, *Foreign Relations*, 1905, p. 824.

⁴² Neither printed.

Cardinal Secretary of State Matsuoka stressed the following points: (1) In China, Japan was conducting a campaign against communism, not a war against the Chinese people, (2) an extension and prolongation of the European war could only favor the cause of communism, (3) Japan had no desire to be drawn into this war.

Repeated to Berlin.

PHILLIPS

740.0011 European War 1939/9565 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, April 5, 1941—9 p. m.

218. There is repeated below for your information the substance of a telegram dated April 2 from the American Chargé d'Affaires at Berlin:

The Chargé has been informed that Hitler in a recent interview with leading industrialists in the Rhineland indicated to his listeners, *inter alia*, that Germany in the near future would compel the Soviet Government to sign an agreement with Japan, leaving Japan free on its front to engage the British in hostilities. He is said to have added that in the event Russia failed to comply, occupation by Germany of a part of the Soviet Union, including the district of Baku, would ensue. By that means the oil supply of the Soviet Union would be cut off.

The Chargé states that, although the rumor of a possible invasion by Germany of the Soviet Union has had unusual circulation, the foregoing report is the only one with any stamp of authenticity which has come to him.

HULL

762.94/514 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, April 6, 1941—2 p. m.

[Received April 7—6:30 a. m.]

1298. While Matsuoka was received by Ribbentrop and lunched with Hitler in his 2-day stop in Berlin en route back from Rome it was quite apparent that his visit was treated as one of a personal character since he stopped at the Japanese Embassy and there were no public demonstrations or ceremonies in connection with his arrival and departure. In fact there was a marked lack of public attention in contrast to the fanfare and pomp of his arrival. This lack of outward manifestations of importance on the occasion of Matsuoka's second visit strengthens the impression that no concrete results had been

gained by Berlin during the course of the official visit. It is largely felt that otherwise the German authorities would have made a point of showing greater honors to the departing guest.

MORRIS

762.94/516: Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 8, 1941—8 p. m.

[Received April 9—5:55 p. m.]

709. For the President, the Secretary and Under Secretary. Matsuoka and members of his staff and the Japanese Ambassador and his staff were my guests at lunch today. The following is a summary of the remarks made to me by Matsuoka in the course of an extended and frank conversation after the luncheon:

1. Matsuoka said that neither Ribbentrop nor Hitler had asked for any commitments of any kind and he requested me to advise the President that he has not made or given any commitments whatsoever to Ribbentrop, Hitler or Mussolini. Matsuoka said he had made it clear to Ribbentrop and Hitler that as Japan had entered the Tripartite Pact to "preserve peace" Japan would not consider itself obligated to declare war on the United States were Germany to do so but that if the United States were to declare war on Germany the situation might be different. He said that should Germany declare war on the United States, which he does not anticipate, he hoped the United States would make no move in the Pacific until Japan had had an opportunity to make her position clear. Later in the conversation he said that it must be understood that Japan would adhere to her obligations under the Tripartite Pact but emphasized that Japan was not obligated to follow Germany in an attack upon the United States.

He said that both Hitler and Ribbentrop had told him that they desired to limit the sphere of the war and they had no desire to become involved in a war with the United States. They even suggested that he should take steps to discourage anti-American propaganda or agitation in Japan.

He said that he had expressed both to Ribbentrop and Hitler his desire for peace and that they had replied that they were equally anxious to bring this about and hoped to do so this year.

Matsuoka asserted that he had been impressed by Hitler whom he characterized as a genius and said that in none of his talks with him had Hitler exhibited any of the excitable characteristics generally ascribed to him but that he had been calm and reasonable.

He said that Ribbentrop had expressed admiration for the way in which the British were fighting, voiced the opinion that the British Empire should not be "destroyed". He said that Hitler firmly believed he could reduce Britain by submarine and aerial warfare this spring and summer and that an invasion would not be necessary but that all preparations had been made for it and that it would be attempted should it become necessary.

He told me that the Germans were fully prepared to invade the Soviet Union but had no intention of doing so unless the Soviets substantially reduced deliveries to Germany. He expressed the opinion that the rumors of a German attack on the Soviet Union had been given out by the Germans in order to frighten the Soviets into maintaining deliveries.

He said that Italy was already under the control of the Germans, that German officers and officials were very much in evidence and that they had received express instructions not to "look down or talk down" to the Italians. Because of the mutual personal admiration between Hitler and Mussolini he was convinced that there was no possibility of the English driving a wedge between the two countries and that Italy would stand or fall with Germany. He said that Mussolini had not given any evidence of discouragement at his recent reverses and had expressed confidence that Italy would shortly "stage a comeback".

Matsuoka said that Ribbentrop had expressed the opinion to him that the *coup d'état* in Yugoslavia had been engineered by the Soviets, whereas he had expressed his own opinion that the British had been responsible for this development.

2. Matsuoka said that Hitler and Ribbentrop had urged him to come to some agreement with the Soviets and that he had told them he was desirous of doing so but would not "pay an excessive price". He said that in his three and one-half hour talk with Molotov last night he had gotten nowhere "as the Soviet demands were excessive". He expects to see Molotov again tomorrow at which time he hopes definitely to ascertain whether there is any possibility for an agreement.

He said that he was beginning to doubt the Soviet desire to reach an agreement with Japan except upon its own terms and that he was not too sure that they could be counted upon to carry out any agreement they might undertake. He said he did not see how he could consent to major territorial concessions as he did not believe the Japanese public would accept important concessions and he had endeavored to make this clear to Molotov last night. He said that the United States could be indifferent to the Soviet Union but that Japan would "either have to come to an agreement with the Soviet Union or fight".

3. Matsuoka indicated as he has on each previous occasion that I have talked with him his earnest desire to bring the war in China to

an end and his belief that the President could accomplish this by intimating to Chiang Kai-shek that the United States would withhold any further assistance to China if Chiang Kai-shek refused to accept "fair and reasonable terms". He repeatedly emphasized that if the President and Mr. Hull would "trust him" and assist him in bringing about peace in China everything in the Far East would be cleared up to their satisfaction.

4. Matsuoka stated that because of his desire to see Leningrad, his old post, he may defer his departure until the 13th and plans to go to Leningrad tomorrow night.

Repeated to Tokyo.

STEINHARDT

762.94/517 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 9, 1941—11 p. m.

[Received April 9—9 p. m.]

722. For the President, the Secretary and the Under Secretary. My 709, April 8, 8 p. m. The following personal letter from Matsuoka marked strictly private has just been delivered to me. In view of his imminent departure I should appreciate immediate instructions as to the response I should make to his request for a paraphrase of my report to you of our conversation.

"My [dear] Steinhardt: Really I do not know how to thank you and Mrs. Steinhardt for the most pleasant luncheon given me yesterday.

May I ask you to be good enough to favor me with a paraphrased extract of your cablegram to the Washington Government, namely, of course, the parts setting forth my remarks in our conversation so that I may be sure that I correctly stated what I meant.

Would it not be well at this time also to inform your President and the Secretary of State that a report printed in the London *Times* of April 4 alleging to be a portion of my conversation with His Holiness the Pope at Rome has not a shred of truth. The report was to the effect that there took place an exchange of views between myself and the Pope on questions of peace during which I am supposed to have told the Pope that although Japan was faithful to the Tripartite Pact she was prepared to cooperate in preventing the extension of hostilities to Yugoslavia and the United States of America. It was also reported that I regretted the fact that the Pope was supporting the Chiang Kai Shek regime which was receiving assistances from the Soviet and that Japan was in a position to expect support from the Vatican because she was prosecuting an anti-Communist war.

I believe that the President might just as well be further informed that I would assure him of utmost efforts on my part to redress wrongs

there might be found in China with regard to the legitimate American interests as soon as the war is ended together with my guarantee as to the free flow of commerce between the United States and the South Seas including of course such commodities as rubber, tin, and oil which America is in need of.

I may add in this connection frankly that Japan will not in future condone capitalistic exploitation in China or elsewhere where Japan can exercise considerable restraining influence. As the President and Mr. Hull must be aware, Japan's conception of a new order in greater East Asia is as I publicly stated on more than one occasion "no conquest, no oppression, no exploitation" and I straight [*stand?*] on this policy. I need hardly say that there are still a great many people in my country as in all other countries who are bent upon exploiting backward nations financially and economically, but I am committed with Prince Konoye to battle against it. Our group in Japan will fight against such an attempt, the more if it were made by Japan.

With very best wishes to you and your charming wife, Sincerely yours, Y. Matsuoka."

STEINHARDT

761.9411/74 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 10, 1941—1 p. m.

[Received 2:27 p. m.]

726. The Chinese Ambassador ⁴³ told me last night that he had seen Lozovski ⁴⁴ "several times recently" and that the latter had emphasized that if Japan wished a non-aggression pact with the Soviet Union "it would be very difficult ["] for the Soviet Union to refuse.

STEINHARDT

762.94/517 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Steinhardt)

WASHINGTON, April 10, 1941—7 p. m.

448. Your 722, April 9, 8 [11] p. m. The Department, while not viewing with favor establishment of precedents for such action, would have no objection to your giving, if you see fit, a memorandum covering the substance of the record of the conversation which you have in the Embassy.

Department offers suggestions as follows: (1) you might reply to Matsuoka that you would be ready to give him orally, should you have

⁴³ Shao Li-tzu.

⁴⁴ Soviet Assistant Commissar for Foreign Affairs.

occasion to meet again, the substance of your recollection of the conversation; or (2) you might suggest that Matsuoka himself give you a written record of what he remembers himself to have said or what he intended to say, adding that you would be glad to communicate such record to your Government; or (3) you might offer to exchange records recording your respective recollections of what was said; or (4) if it would be helpful to you to do so, you might state, as on your own responsibility, that you make your reports with maximum possible of accuracy to your Government in confidence and that divulging of the contents thereof might easily lead to misunderstanding and would not be in conformity with sound practice, adding that you would be glad to supplement your report with any statement or statements that Matsuoka may care to make in amendment of or in substitution for what he said to you.

Department leaves the matter to your discretion.

HULL

762.94/519 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 11, 1941—5 p. m.

[Received 9:50 p. m.]

738. For the President, the Secretary and the Under Secretary. Department's 448, April 10, 7 p. m. I very much appreciate the Department's constructive suggestions and particularly the discretion which it left to me.

As I deemed it preferable not to put anything in writing, I called on Matsuoka this afternoon and read to him the following list of excerpts from my report of our previous conversation: (1) that he had made no commitments in Berlin or Rome; (2) that Japan had entered the Tripartite Pact to "preserve the peace"; (3) that Japan was not obligated to go to war with the United States but that if the United States declared war on Germany the situation might be different; (4) that Matsuoka does not anticipate that Germany will declare war on the United States but if so hopes that the United States will make no move in the Pacific until Japan has made its position clear; (5) that Japan will adhere to its obligations under the Tripartite Pact; (6) that Hitler and Ribbentrop had expressed to him the desire to limit the sphere of the war and had stated that they had no desire to become involved in a war with the United States; (7) that Hitler and Ribbentrop had suggested to him that he take steps to discourage anti-American agitation in Japan; (8) that he, Ribbentrop, and Hitler had all expressed a desire for peace; (9) that he had been favorably impressed

by Hitler personally; (10) that Ribbentrop had expressed admiration; (11) that Hitler expected to win the war by submarine and aerial activities against Britain and would attempt an invasion of Britain only if necessary; (12) that Italy was largely already under the control of the Germans and that he could see no possibility for Britain to drive a wedge between Germany and Italy; (13) that he had made substantially no progress in his talks with Molotov due to the excessive Soviet demands; (14) that the United States could be indifferent to the Soviet Union but that Japan must come to an agreement or become embroiled; (15) that he desired to put an end to the war in China and had suggested that the President could accomplish this by indicating to Chiang Kai-shek that the United States would refuse further assistance if he did not accept a fair and reasonable peace; (16) that he had expressed a desire that the President and Mr. Hull trust him.

As I read the foregoing Matsuoka categorically indicated his approval of each statement. His only comment was in connection with items 3, 8, 10 and 15 which he amplified as follows:

As to item 3, he remarked that he considered that under the Tripartite Pact Japan is obligated to go to war with the United States should the United States declare war on Germany but that, of course, "We would confer with Germany first."

As to item 8, he said that Hitler and Ribbentrop while expressing their desire for peace had made it clear to him that they did not consider that there was any possibility for peace at the present time and Hitler had emphasized to him several times that there would be no peace "unless England capitulated."

As to item 10, he amplified the same by stating that Ribbentrop had expressed the opinion to him that Britain was stronger defensively at the present time than "when the war started".

As to item 15, he amplified the same by stating that peace between Japan and China could only result from direct negotiation between the two countries as the Japanese public would not accept an intermediary.

Repeated to Tokyo.

STEINHARDT

761.94/1314 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, [April 11, 1941—10 p. m. ?]

[Received April 11—10:34 p. m.]

745. I asked Matsuoka this afternoon what progress he was making in his political negotiations with the Soviet Government. He replied

that the Soviets are no longer asking for the cession of lower Sakhalin but are seeking the surrender of the Japanese concessions in northern Sakhalin for which they are prepared to pay compensation. He said that he rather feared the reaction in Japan to the surrender of these concessions and that he is therefore undecided as to what course to pursue. He concluded with the remark that in any event he will leave on 13th whether an agreement has been reached or not.

Repeated to Tokyo.

STEINHARDT

741.94/486 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 12, 1941—5 p. m.

[Received April 13—9 a. m.]

754. For the President [and] the Secretary. Kase⁴⁵ called on me this afternoon and said that Matsuoka desired to meet the British Ambassador but that due to the fact that the Japanese Ambassador had been offended by Cripps' attitude toward him ever since his arrival in Moscow (see my despatch No. 1179, February 28, 1941⁴⁶) Matsuoka was unable to invite Cripps to call on him. Kase accordingly suggested that Matsuoka should call on me at 12:30 tomorrow and that Cripps be present "by accident". He stressed the fact that Matsuoka did not wish the Japanese Ambassador to know of the meeting nor the Germans or Italians and that he was desirous that the meeting should not receive publicity.

I pointed out to him that under the conditions existing in Moscow of close and constant surveillance of Chiefs of Mission by the Soviet authorities and foreign press representatives, it would be impossible for such a meeting to take place apparently "by accident" and that publicity with various undesirable implications was bound to follow. When I suggested as an alternative that I arrange to have the British Ambassador meet Matsuoka elsewhere Kase demurred on the grounds that Matsuoka did not wish Tatekawa to know of the meeting, since Tatekawa would object to his meeting Cripps.

Towards the close of the conversation Kase stated that Matsuoka intended to attend the Moscow Art Theater this evening. I stated that Mrs. Steinhardt and I also would attend that theater this evening and that the British Ambassador and Lady Cripps would be our only

⁴⁵ Toshikazu Kase, member of the Japanese Foreign Office staff accompanying Mr. Matsuoka.

⁴⁶ Not printed.

guests, thus affording Matsuoka an opportunity to meet the Ambassador and talk with him during the intermission without evoking any comment. I pointed out that such a meeting would appear to be quite casual inasmuch as a substantial part of the Diplomatic Corps is usually to be found at the Moscow Art Theater.

Repeated to Tokyo.

STEINHARDT

740.0011 European War 1939/9901 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 12, 1941—8 p. m.
[Received April 13—9:26 a. m.]

757. For the President, the Secretary, and Under Secretary. The British Ambassador told me this afternoon that he has been endeavoring for several days through the Japanese Embassy to obtain an appointment to see Matsuoka for the purpose of delivering Churchill's message to him (see my 744, April 11, 9 p. m.⁴⁷) but that, although he had spoken personally with Embassy [member?] with rank of Minister, he has not been able to obtain an appointment. When I explained that the purpose of my invitation to him to attend the theater (see my 754, April 12, 5 p. m.) was to bring about a meeting between Matsuoka and himself he said that he would take Churchill's message with him and hand it to Matsuoka during one of the intermissions. He remarked in this connection that he had decided that should the Japanese Embassy continue its refusal to arrange an appointment for him with Matsuoka he would not attempt to deliver Churchill's message in any other manner and commented that the present arrangement of course overcame the difficulty. He gave no evidence that he realized that his refusal to enter into relations with the Japanese Ambassador since his arrival in Moscow had been the cause of his failure to obtain an interview with Matsuoka.

The Ambassador informed me that he received a telegram from Eden this morning stating that King George of Greece had informed him that Prince Paul of Yugoslavia recently stated to the King that Hitler had told him that he must eventually attack the Soviet Union "to insure Germany's sources of supply" but that he would choose his own time.

The Ambassador also told me that in the course of a conversation between Eden and Saracoglu, Eden advised the Turkish Foreign

⁴⁷ Not printed, but see vol. v, p. 126, footnote 62.

Minister that Britain was not in a position at present to furnish adequate war material to both Greece and Turkey and felt that its first obligation was to Greece. In consequence, and recognizing the inadequacy of Turkish armaments, Britain would not expect Turkey to come to the assistance of Greece but merely to maintain a defensive position for the time being. Thus the failure of Turkey to take offensive action at the time of the German attack on Greece was explained—having British consent. He added that the present British line of defense from Lake Okhrida to the Aegean south of Salonika had been agreed upon in the light of the foregoing.

Cripps further stated that he sent a note to Vyshinski ⁴⁸ yesterday which constituted a review of Soviet errors of policy during the past 18 months and concluded with the admonition that a joint Soviet-Turkish demand upon Germany that it vacate the Balkans might be the last opportunity for the Soviet Government (and Turkey) to avoid an attack by Germany. In this connection he said he had learned from what he described as "a reliable source" that Germany has evacuated the civilian population from Königsberg and moved eight divisions to the Moldavian frontier obviously intended as a threat to Odessa.

STEINHARDT

741.94/487 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 13, 1941— 4 p. m.

[Received April 13—3 : 13 p. m.]

761. For the President, the Secretary and Under Secretary. My 754, April 12, 5 p. m. and 757, April 12, 8 p. m. The meeting between Matsuoka and Cripps took place last night at the theater as arranged without attracting any attention. In the course of their conversation, Matsuoka assured Cripps that Japan had no hostile intentions against Britain or British possessions in the Far East. He expressed the hope that the war would not spread and talked in a generally conciliatory vein. Cripps handed him a copy of Churchill's message which Matsuoka surreptitiously slipped into his pocket without looking at it, obviously in order that it should not be noticed that he had received a document.

As we were walking back to our seats, I asked Matsuoka whether he had reached an understanding with Molotov to which he replied

⁴⁸ Andrey Yanuaryevich Vyshinsky, Soviet Assistant Commissar for Foreign Affairs.

that he anticipated signing "a limited" agreement in the nature of a "pact of neutrality" before his departure. (See my 1638, November 28, 7 p. m.⁴⁹)

Repeated to Tokyo.

STEINHARDT

761.9411/77 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, April 13, 1941—8 p. m.

[Received April 14—8 a. m.]

436. Chauvel⁵⁰ called at the Embassy this afternoon in great excitement at the news of the signing of the Russo-Japanese nonaggression pact.⁵¹ He said it had come as a complete surprise to the French Foreign Office and in his opinion meant one thing: an immediate Japanese attack on Singapore or at least on the Dutch East Indies. He said that the Japanese Embassy here had for some time indicated that no Japanese move toward the south need be expected until the signing of a pact with Russia and that if such a pact were signed it would come soon after. From the Japanese and Axis point of view it was he said obviously a move to get us involved in the Pacific and to reduce our aid to Britain.

As to the Russian attitude, he was completely at a loss to explain it. It seemed quite contrary to the whole trend of Russian policy as shown by the Soviet attitude in Bulgaria, by the Russo-Yugoslav pact, the Russian announcement with respect to Hungary and the many general indications that Russia is worried at Germany's penetration in the Balkans and threat to the Ukraine. If such is really Russia's policy, he cannot see why she would sign a pact with Japan which is bound to weaken the British cause. His only possible explanation is that the outward Soviet attitude towards Germany's Balkan advance has been as false as the Russian negotiations with France and Britain which were terminated with such a shock by the signing of the Russo-German pact in August 1939.⁵²

He reiterated with much pessimism that we must expect a Japanese threat to Singapore in the very near future—"in the next fortnight".

LEAHY

⁴⁹ *Foreign Relations*, 1940, vol. I, in section entitled "Relations of Japan With the Axis Powers and With the Soviet Union."

⁵⁰ Jean Chauvel, head of the Far East Section of the French Foreign Office.

⁵¹ See telegram No. 763, April 13, 11 p. m., from the Ambassador in the Soviet Union, p. 944.

⁵² Signed at Moscow, August 23, 1939, Department of State, *Nazi-Soviet Relations, 1939-1941*, p. 76.

761.9411/81 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 13, 1941—10 p. m.

[Received April 14—5:30 a. m.]

762. For the President, the Secretary and the Under Secretary. My 761, April 13, 4 p. m. The Moscow radio this afternoon announced the signing of a treaty of neutrality between the Soviet Union and Japan and a supplementary declaration. The essence of the treaty is that each contracting party will observe neutrality if the other is the object of military action by a third party or parties. The essence of the declaration is a reciprocal undertaking to respect the territorial integrity and inviolability of Manchukuo and the Mongolian People's Republic. For the protection of our codes the texts of the treaty and declaration are being sent in a separate telegram following and bearing the next number after this.

The extravagant predictions and threats against the United States which have appeared in the German press and which have been broadcast from Germany regarding the consequences to be expected from Matsuoka's visit to Berlin make it reasonable to suppose that the Soviet-Japanese treaty of neutrality will be hailed by Germany as the successful result of its efforts to bring about a Soviet-Japanese political agreement which would relieve Japan of the fear of an attack by the Soviet Union should Japan become embroiled in hostilities with the United States.

I believe, however, that the treaty was brought much less by German influence or a desire on the part of Japan to prepare itself for eventual collaboration with Germany in hostilities with the United States than by the fear on the part of Japan that it may become involved in hostilities with United States against its will and the desire on the part of the Soviet Government to prepare itself against a possible attack by Germany.

During the early months of the Soviet-Japanese negotiations it was clear that the Soviet Government was not unduly anxious to enter into a political agreement with Japan and that it would only do so for a high price, including substantial territorial concessions.

On the other hand while the Japanese Government did not conceal its eagerness to conclude a political agreement with the Soviet Union, which it desired to be of as far-reaching scope as possible, it was not willing to pay the price demanded by the Soviet Government especially in so far as concerned the cession of lower Sakhalin or even the surrender of the Japanese concessions in northern Sakhalin.

I believe that during the three weeks that have intervened since Matsuoka's departure from Moscow for Berlin the attitude of both the Soviet and Japanese Governments has undergone a profound change. I am of the opinion that the Soviet Government having become convinced of the possibility of an attack by Germany decided to abandon its favorable bargaining position in exchange for an assurance of Japanese neutrality in the event of a German attack on the Soviet Union.

I likewise believe that as a result of his talks with Mussolini and Hitler, and also perhaps because of the impression made upon him by the threats against the United States which appeared in the German and Italian press in connection with his visit, Matsuoka returned to Moscow fearful that Japan might find itself maneuvered into a position which would lead to hostilities with the United States. In this connection it will be recalled (see my 581, March 24, 3 p. m.) that Matsuoka on the first occasion of his first visit to Moscow expressed the view to me that "American history indicates that it is the United States which goes to war with other countries."

In consequence he felt the necessity of coming to some agreement with the Soviet Government which would protect Japan against cooperation by the Soviet Union with the United States in such an eventuality and at the same time indicate to Germany that he does not consider Japan bound under the Tripartite Pact to go to war with either the Soviet Union or the United States in the event that Germany should declare war or take offensive action against either country.

It would appear from the foregoing that both Governments found it expedient to abandon their earlier specific desiderata (such as territorial concessions by Japan and cessation of aid to China by the Soviet Union) and rather than have the negotiations break down or be further prolonged enter into a simple and limited reciprocal commitment to remain neutral in the event that either country should become the object of military action by a third party or parties.

Matsuoka left this afternoon on the Trans-Siberian for Manchuli whence he will fly to Tokyo. Stalin was at the station to see him off, an attention he did not show to von Ribbentrop and which in so far as I am aware is without precedent. His action was presumably designed to lend the appearance to the treaty.

Shortly before his departure Matsuoka sent me the following letter marked confidential and written by him in longhand:

"Dear Steinhardt: I am leaving this afternoon as scheduled and wish again to thank you and your charming wife for the kind attention given me and the most pleasant chats I enjoyed at your Embassy.

Also thank you for your thoughtfulness in enabling me last evening to meet Sir Stafford.

I would also inform you that after being made to feel disappointed as to the conclusion of the Russian-Japanese pact of neutrality,—upon my present visit to Moscow (neither was I necessarily hoping or pressing for it), I was told that the Soviet Government was prepared to sign it at once when I called on Mr. Stalin to say good-by and to thank him in person for all the courtesies extended to me and my suite in my present visit to Europe. Of course I had said good-by to Mr. Molotov on the previous day.

They stressed the necessity and importance of settling the question of liquidating the concessions in northern Sakhalin simultaneously with the signing of the pact. I reiterated that I had no authority to discuss and settle it right now and the consequence was a deadlock. In all probability the pact will be signed before my departure and it will be published by the Moscow Government together with the text of a declaration. Believing Your Excellency is interested to know the above, I take pleasure in adding a bit of the inside story. Sincerely yours, Matsuoka.”

Repeated to Tokyo.

STEINHARDT

761.9411/80: Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 13, 1941—11 p. m.

[Received April 14—5:45 a. m.]

763. It was announced over the Panjor [*Moscow*] radio this afternoon that “a pact of neutrality between the Soviet Union and Japan was concluded April 13 and also a declaration concerning mutual respect of the territorial integrity and inviolability of the borders of the Mongolian People’s Republic and Manchukuo.” The text of the pact is as follows:

“Article 1. Both high contracting parties undertake to maintain peaceful and friendly relations between each other and mutually to respect the territorial integrity and inviolability of the other contracting party.

Article 2. In the event one of the contracting parties becomes the object of military action on the part of another or several third powers the second contracting party will observe neutrality during the course of the entire conflict.

Article 3. The present pact becomes effective on day of its ratification by both contracting parties and remains valid during a period of five years. If one of the contracting parties does not denounce the pact one year before the expiration of its term, it will be considered automatically extended for the next five years.

Article 4. The present pact is subject to ratification within the shortest possible period of time. The exchange of instruments of ratification shall take place in Tokyo also within the shortest period of time."

The declaration reads as follows:

"In accordance with the spirit of the pact of neutrality concluded April 13, 1941, between the U. S. S. R. and Japan, the Government of the U. S. S. R. and the Government of Japan in the interest of securing peaceful and friendly relations between the two countries solemnly declare:

The U. S. S. R. undertakes to respect the territorial integrity and inviolability of Manchukuo, and Japan undertakes to respect the territorial integrity and inviolability of the Mongolian People's Republic.["]⁵³

STEINHARDT

761.9411/82 :Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 14, 1941—5 p. m.
[Received April 14—1:50 p. m.]

765. The regular brief reports on the Sino-Japanese war which appear in the Moscow press began yesterday to quote Japanese sources and to indicate Japanese successes, in contrast to the previous pro-Chinese tone which these reports had consistently maintained.

STEINHARDT

761.9411/84 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, April 14, 1941—6 p. m.
[Received April 14—9:50 a. m.]

552. 1. In the absence of any information in regard to any secret commitments or understandings which may or may not have been made between the Soviet and Japanese Governments in connection with the conclusion of the pact of neutrality and friendship,⁵⁴ the following comment is of necessity based only upon the documents relating thereto published here which are represented to be merely summaries of the treaty and of the accompanying joint declaration.

⁵³ The Ambassador in the Soviet Union in telegram No. 854, April 26, 1 p. m., reported that the pact "entered into force from April 25, 1941." (761.9411/129)

⁵⁴ For statement by the Japanese Prime Minister, see telegram No. 551, April 14, 5 p. m., from the Ambassador in Japan, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 186.

2. In the comparison which obviously suggests itself between this agreement and the Soviet-German nonaggression treaty of August 1939 it will first of all be noted that the agreement with Japan is somewhat negative in character in that it does not provide as in the case of the German treaty, for concentration on problems of mutual interest, nor bind the contracting parties to refrain from aiding directly or indirectly the enemies of the other in the event of war but merely to "observe neutrality throughout the entire period of such conflict". It is noted however that article 2 which contains this commitment uses the language "an object of military action" which is identical with that used in the corresponding article of the Soviet-German pact which phrase, I am informed, was in that instance employed upon the insistence of Germany in order to render the treaty operative in the event of aggression by Germany on a third state and it may be assumed therefore that the Japanese insisted on identical language for the same purpose. Another distinction between the two treaties may be found in the fact that the present treaty comes into force following ratification by both parties whereas the Soviet-German Pact came into force upon signature.

3. The joint declaration of both Governments concerning the mutual recognition of the People's Republic of Mongolia and Manchukuo raises the question of the relation of the present treaty to Soviet relations with China and, in particular, aid to Chiang Kai-shek. Despite fact that in recognizing Manchukuo the Soviet Union has given its sanction to the separation from China of this area in derogation of Chinese sovereignty there is no indication either in the text of the treaty itself or in this declaration of any Soviet agreement to alter its present policy vis-à-vis the Chinese Republic. In conjunction with the all-important question of future Soviet aid to China possibly some light on the subject may be shed by the fact that the Soviet Union apparently during negotiations with Japan made a somewhat subtle distinction between a pact of nonaggression and a pact of neutrality. It will be recalled that last November in presenting the Soviet conditions involving the cession of Japanese territory for a nonaggression pact, Molotov told the Japanese Ambassador that in the event that these conditions for a nonaggression pact should prove to be unacceptable to the Japanese Government some form of a neutrality pact might be negotiated, thus indicating that in Soviet eyes there exists a greater distinction between the two types of pact than would appear on the surface. This distinction may possibly relate to the question of Soviet aid to China and in view of the importance to Matsuoka of returning to Tokyo with some agreement with Russia it is not unlikely

that he was willing to accept the present agreement without the much desired commitment for the cessation of Soviet aid to China.

4. Summing up the results of the treaty from this point of observation the following conclusions on the basis of incomplete information appear to be justified.

(a) It is a great personal success for Matsuoka in that publicly at least Japan was not forced to pay any price for its conclusion;

(b) on the basis of material now available, the treaty would appear to have been entered into more for the effects which each party calculates it will have on the other concerned third parties than for the defining of the obligations and policies of the respective signatories;

(c) irrespective of the subtleties of wording or representations on the part of the Soviet Government in regard to China, the very fact of the agreement itself should tend to facilitate rather than impede a conclusion of the China conflict;

(d) to the somewhat formalistic Japanese mind the pact with Russia will be regarded as redressing the one-sided nature of the Tripartite Pact with respect to the relations with the Soviet Union;

(e) in its larger aspect and one of greatest importance to ourselves the conclusion of the pact guaranteeing Russian neutrality in the event of Japanese involvement in a war with a third country or countries will undoubtedly strengthen the hands of and stimulate those elements in Japan which favor a vigorous prosecution of the southward advance.

Repeated to Moscow.

GREW

761.9411/95a : Telegram

*The Secretary of State to the Ambassador in Japan (Grew)*⁵⁵

WASHINGTON, April 14, 1941—11 p. m.

231. You will read in today's radio bulletin a statement by the Secretary made this morning⁵⁶ in response to inquiries by press correspondents in regard to the Soviet-Japanese pact relating to neutrality. It is suggested that, for purposes of background and for discreet use in conversation with officials of foreign governments if occasion therefor should arise and seem opportune, you may wish to review the memorandum on the subject of Russo-Japanese relations enclosed with the Department's mail instruction of December 8, 1939.⁵⁷

HULL

⁵⁵ The same telegram sent to the Embassies in the United Kingdom and France as telegrams No. 1250, 6 p. m., and No. 319, 9 p. m., respectively.

⁵⁶ See telegram No. 461, April 15, 5 p. m., to the Ambassador in the Soviet Union, p. 948.

⁵⁷ Instruction not printed; for text of the memorandum, handed to the French and British Ambassadors on December 2 and 6, 1939, respectively, see *Foreign Relations*, 1939, vol. III, p. 92.

761.9411/92 : Telegram

The Ambassador in China (Johnson) to the Secretary of State

CHUNGKING, April 15, 1941—noon.

[Received April 15—7:55 a. m.]

136. My 135, April 15, 11 a. m.⁵⁸

1. The signing on April 13 of the "neutrality pact" and the accompanying "declaration" by the Soviet Union and Japan has without doubt come as a blow to the Chinese although it cannot be said to have come as a complete surprise. With the lone exception of the Communist organ which endeavors to support the action of the Soviet Union, the entire Chungking press this morning violently assails the action of the Soviet Union. It would appear that the Chinese authorities will appraise the value of the Moscow agreement in terms of the future Russian policy toward China and Japan. They will naturally wish to ascertain whether it will mean abandonment of Russian support of China and also whether Japan has received such assurance from Russia as to allow Japan to withdraw troops from Manchuria for use either in China or in the South Seas.

2. During an informal conversation yesterday the Vice Minister for Foreign Affairs⁵⁹ informed me that the Chinese Government had received no intimation from the Union of Soviet Socialist Republics prior to or immediately after the conclusion of the agreement that Russia intended to negotiate such a pact. It may thus be inferred that the Russians failed to consult with the Chinese Government in relation to this question before entering into negotiations with Mr. Matsuoka.

Sent to the Department, repeated to Peiping, Peiping please mail code text to Tokyo.

JOHNSON

761.94/1316a : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Steinhardt)*

WASHINGTON, April 15, 1941—5 p. m.

461. In response to inquiries in regard to the Soviet-Japanese pact, I made the following statement to the press on April 14:

"The significance of the pact between the Soviet Union and Japan relating to neutrality, as reported in the press today, could be over-estimated. The agreement would seem to be descriptive of a situation

⁵⁸ Not printed, but see Chinese Embassy's communication of April 15, p. 949.

⁵⁹ Hsu Mo.

which has in effect existed between the two countries for some time past. It therefore comes as no surprise, although there has existed doubt whether the two Governments would or would not agree to say it in writing. The policy of this Government of course remains unchanged."

HULL

761.94/1322

*The Chinese Embassy to the Department of State*⁶⁰

STATEMENT ISSUED BY DR. WANG CHUNG-HUI, MINISTER FOR FOREIGN AFFAIRS, CHUNGKING, APRIL 14, 1941

At the time of the signing of the Neutrality Pact on April 13, the Union of Soviet Socialist Republics and Japan issued a joint declaration in which Japan undertook to respect the territorial integrity and inviolability of the so-called People's Republic of Mongolia, and the Soviet Union undertook to respect the territorial integrity and inviolability of so-called Manchukuo.

It is an indisputable fact that the four North-Eastern Provinces and Outer Mongolia are integral parts of the Republic of China and always will remain Chinese territory. The Chinese Government and people cannot recognize any engagements entered into between third parties which are derogatory to China's territorial and administrative integrity. The Soviet-Japanese declaration just announced has no binding force whatsoever on China.

WASHINGTON, April 15, 1941.

740.0011 European War 1939/9974 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 15, 1941—10 p. m.
[Received April 15—7: 15 p. m.]

1489. Today Johnson and I had lunch with the Chinese Ambassador.⁶¹ The Chinese Ambassador referred to the recent Russo-Japanese agreement as unpleasant but said that in fact it was no more than putting into writing an already accepted situation with the exception that under it Russia recognized Japan's rights in Manchuria and Japan Russia's rights in Outer Mongolia. He said he felt it would relieve Japanese troops in Manchuria for service to the south.

⁶⁰ Noted by the Secretary of State on April 16.

⁶¹ Quo Tai-chi, recently appointed Chinese Minister for Foreign Affairs.

Later I saw Eden and Johnson saw Cadogan. Eden was very pleased with your interview with the press⁶² as contained in today's radio bulletin. I thought he was worried about the situation although his summation on the Russo-Japanese Pact was not very different from the Chinese Ambassador's. Neither the Chinese Ambassador nor Eden thought that supplies to China would be cut by Russia. Eden told me that when Stafford Cripps had seen Matsuoka in Moscow the latter told him that there was no reason for the English being disturbed about their relations with Japan. This was the only meeting they had and at the end of the interview Cripps gave Matsuoka the Prime Minister's note which he put in his pocket without opening the envelope. (My No's. 1288, April 2, 10 p. m. and 1366, April 7, 6 p. m.⁶³)

[Here follows report on other matters.]

In brief comment on the Russo-Japanese pact, Cadogan thought that on [the whole?] it was not good for the British; that its chief danger would lie in encouragement Japan might get for some wild adventure to the south, particularly if Matsuoka whom he distrusts and considers erratic is in effective control of Japanese policy. There is also, he thinks, the danger that Russia may cut off supplies to China in order to please Japan although there has been little evidence in recent months that much Russian material was getting to China.

I think it is now clear that the Duke D'Aosta retired from Addis Ababa into the mountains rather than surrender in order to hold British divisions that might have been used to strengthen the British forces in Libya.

WINANT

761.9411/137

*The British Embassy to the Department of State*⁶⁴

TELEGRAM FROM BRITISH AMBASSADOR IN MOSCOW TO THE
FOREIGN OFFICE, DATED APRIL 14TH, 1941

My estimate of Russo-Japanese pact is as follows:

1. Up to Saturday night negotiations and hard bargaining were proceeding with a view to arranging a much more extensive agreement on a non-aggression basis. Russians had, between Japanese Minister for Foreign Affairs' visits, brought down their price, largely as a result of events in Europe and growing likelihood of an attack on U. S. S. R.

⁶² See telegram No. 231, April 14, 11 p. m., to the Ambassador in Japan, and footnote 55, p. 947.

⁶³ Latter not printed.

⁶⁴ Copy handed on April 16 to the Under Secretary of State (Welles) by the British Minister (Butler).

2. By Saturday night it appeared that Russian price was still too high and in consequence Japanese reconciled themselves to having no agreement.

3. That night either Russians or Japanese suggested the substitution of simple neutrality pact either to save Matsuoka's face or else because Russians thought it would be valuable in the event of a German attack on U. S. S. R.

4. This pact was signed yesterday. It has never been doubted that if any agreement were reached at all, recognition of Manchukuo and Outer Mongolia would form part of any such agreement.

5. In my opinion the major significance of the whole affair is that Russia has on paper got security in the East ⁶⁵ in the event of German attack and has at the same time in appearance satisfied German desire for a Russian-Japanese *rapprochement*.

6. It is most significant and unprecedented that Stalin has gone to the station to see Matsuoka off and this playing-up to the latter's vanity and compliment to his country indicates the lengths to which Russia would go to try and secure her eastern frontier in the light of the danger in the west.

7. In my opinion this development makes it more than ever necessary that Quo Tai-chi should travel via Moscow.

761.9411/104 : Telegram

The Ambassador in China (Johnson) to the Secretary of State

CHUNGKING, April 16, 1941—10 a. m.

[Received 6:23 p. m.]

137. My 136, April 15, noon. When I called on the Foreign Minister late yesterday afternoon in regard to another matter he made reference to the signing of the Russo-Japanese agreement in Moscow saying that he had found it necessary to issue a statement on April 14 ⁶⁶ in regard to the "declaration" (see my 135, April 15, 11 a. m. ⁶⁷) but that the Chinese Government was not taking any definite position in regard to the "neutrality pact" pending clarification of some of the provisions contained therein. Dr. Wang said that he had summoned the Soviet Ambassador ⁶⁸ on the evening of April 14 and had explained to the Ambassador that he had found it necessary to issue a statement in regard to the declaration because silence would of course be construed as acquiescence in the provisions of the declara-

⁶⁵ Marginal notation at this point by the Adviser on Political Relations (Hornbeck): "Not more than she had before".

⁶⁶ *Ante*, p. 949.

⁶⁷ Not printed.

⁶⁸ Alexander Semenovich Panyushkin.

tion. Dr. Wang went on to say that he had made inquiry of the Soviet Ambassador in regard to application of the provisions of article 2 of the "Neutrality Pact" and especially to whether the Sino-Japanese conflict came within the purview of the terms of that article and that the Russian Ambassador had replied that he had received no instructions but had expressed the personal view that article 2 had reference to future hostilities and not to those presently occurring. Dr. Wang said also that he had sought elucidation of terms such as "[future?] hostilities", "neutrality", et cetera. The Russian Ambassador had promised to seek instructions from Moscow especially in regard to application of article 2.

Sent to the Department, repeated to Peiping. Code text by air mail to Moscow.

JOHNSON

740.0011 European War 1939/10025 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 16, 1941—noon.
[Received April 17—2:05 a. m.]

776. I have learned from a confidential source that the Slovak Minister reported to his Government the substance of a conversation between Sakamoto, Director of the European Department of the Japanese Foreign Office, and himself during the former's stay in Moscow to the following effect:

Sakamoto stated that neither the United States nor Japan wanted war and that he did not anticipate war between the two countries. He said that in Japan the United States was not regarded as an enemy country and that the shipment of munitions by the United States to Britain was not a matter of concern to Japan, which had no intention of endeavoring to interfere with such shipments. He said that in the event the United States entered the European war Japan might be obliged to join the war on the side of the Axis but that he was convinced that there would be no necessity for the United States to enter the war for a long time to come. He said that Japan was "disinterested" in European affairs and that its sole interest lay in the Far East and that Japan did not wish to be drawn into the European war and that a war between the Soviet Union and Germany would be regarded by Japan as a European affair.

He said he believed Germany "wished to and was capable of destroying the Soviet Empire" and he believed that Germany would be successful in the event of a war with the Soviet Union. He then ex-

pressed the opinion that if the Balkan campaign did not prove too long or exhausting to the Germans they would attack the Soviet Union as soon as the campaign was over but that if the Balkan campaign proved exhausting Germany would first rest its armies and reorganize before attacking the Soviet Union. He also said that he was under the impression that the Russians are well informed about Germany's designs and that he did not consider it out of the question that the Soviet Union might precipitate the crisis by attacking Germany while the Balkan campaign was still in progress if real and determined resistance was shown by the Yugoslavs, Greeks and British. He said in such event he anticipated that while Russia and Great Britain would be on the same side of the war the Soviet Union would not necessarily fight as an ally of Great Britain but independently and that in any event "Japan would definitely stand aside".

Repeated to Tokyo.

STEINHARDT

761.9411/97: Telegram

The Ambassador in France (Leahy) to the Secretary of State

VICHY, April 16, 1941—1 p. m.

[Received 5:02 p. m.]

445. Embassy's telegram 436, April 13, 8 p. m. After two days without information the Foreign Office has now received a telegram from Moscow with reference to the Russo-Japanese pact which Chauvel showed us this morning. Labonne⁶⁹ reported that the signature of the pact has occasioned less surprise than the unprecedented public attitude of Stalin in proceeding to the station to bid farewell "to one who was not Chief of State". While it had generally been expected by observers in Moscow, the telegram continued, that the Japanese would have to pay "a higher price" for such an agreement, developments in the West had hastened Moscow's acceptance.

Chauvel has come to the conclusion that the Russians feel, with the situation "deteriorating" as rapidly as it is in the Balkans and the "certainty" of a German move on the Ukraine within the next three months "whether the British make peace or not", the Kremlin must have insurance against any Japanese attack in the East in order to protect itself and "its interests" in the West. The only sure guarantee against such Japanese attack would be Japanese involvement in the south. Consequently Chauvel still confidently expects an early Japanese attack against Singapore. As an indication in this direc-

⁶⁹ Eirik Labonne, French Ambassador in the Soviet Union.

tion he says that, since the signing of the agreement with Russia, the Japanese attitude with respect to Indochina has become noticeably more aggressive (please see Embassy's telegram No. 428, April 11, 6 p. m.⁷⁰).

He feels that the Russians must have weighed all the factors and decided that the weakening of the British through such a move and consequently of the Russian position in the West must be accepted as the price for insurance against Japan, "particularly as Moscow expects the United States to take care of the Japanese".

Labonne reported that the Chinese Embassy at Moscow has expressed satisfaction with the considerable amount of material which the Russians have been furnishing the Chinese over the past several months and that the Embassy does not expect any change in this policy as a result of the Russo-Japanese pact. If such a change of policy does take place, said Labonne, it should be readily apparent in the very near future.

LEAHY

761.9411/98 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 16, 1941—1 p. m.
[Received April 17—12: 40 a. m.]

777. Foreign correspondents who were present at the Trans-Siberian railway station the evening Matsuoka left on his return journey to Japan state that it was apparent that most of the members of Matsuoka's party and of the Japanese Embassy and of the Soviet delegation present to bid Matsuoka farewell (with the exception of Stalin) were somewhat intoxicated and that the behavior on the station platform while awaiting the departure of the train can only be described as frolicsome. There were many backslappings, bear hugs and even kisses exchanged between various persons present and several rather extraordinary remarks were claimed to have been overheard. The most interesting of these is one attributed to Stalin in variations of the following words: "Now that the Soviet Union and Japan have arranged their affairs, Japan will straighten out the East, the Soviet Union and Germany will take care of Europe and later on between them they will take care of the Americans." That something approximating the foregoing statement actually was said has been confirmed by members of the German Embassy who were also present.

The visit and the signing of the treaty have of course provoked an abundant flow of gossip in Moscow including most recently the circu-

⁷⁰ Not printed.

lation of a report to the effect that the real and hidden import of the Soviet-Japanese agreement is that it constitutes the first step toward a full association on the part of the Soviet Union with the tripartite powers in a concerted drive to impose their will on Europe and Asia.

Repeated to Tokyo.

STEINHARDT

761.9411/101 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 16, 1941—7 p. m.
[Received April 17—1 : 55 a. m.]

786. I called on the Chinese Ambassador this afternoon to ascertain if possible the Soviet attitude towards China since the signing of the Soviet-Japanese Neutrality Pact.

The Ambassador told me that on April 14 he had received a telegram from his Foreign Office instructing him to invite the attention of the Soviet Government to a declaration of the Chinese Government made after the signing of the pact to the effect that the action of third parties has no binding effect on China and to inquire in what respect, if any, the Soviet-Japanese pact would affect Soviet-Chinese relations. The Ambassador continued that he had immediately requested an interview with Molotov and had seen him yesterday. He said the interview was relatively brief and that in response to his statement and inquiry, Molotov had made the following observations:

1. The Soviet-Japanese Neutrality Pact represents the Soviet Government's desire for peace and "has nothing to do with China."

2. In the course of the negotiations with Matsuoka "China was not discussed—was not even mentioned."

3. In response to a statement by the Ambassador that China would carry on the war with Japan "to the bitter end" and to his inquiry as to whether Molotov thought the Soviet-Japanese pact "would affect Chinese resistance", Molotov replied that he did not believe the pact would affect Chinese resistance but that such resistance was China's "own affair and the manner in which it could best be conducted."

The Ambassador told me that he had not put an inquiry as to whether China could count on further assistance from the Soviet Union as he had not been instructed to make such inquiry but assumed that his Government would direct him to do so at a later date. He said that he had not made the inquiry on his own responsibility as he had not wished to give Molotov the impression that China was entirely dependent upon Soviet assistance.

In expressing his opinion to me as to the effect of the pact, the Ambassador stated that his Government was not disposed to attach too

much importance to it and that in so far as it concerned further assistance from the Soviet Union, while he did not expect a complete cessation, he thought it would be "considerably less" than heretofore as he doubted that the Soviet Government would henceforth wish to antagonize Japan by deliveries of war materials to China on the scale of the past 2 years.

In discussing the situation in Europe, the Ambassador expressed the opinion that the Soviet Government would have to decide between armed resistance to Germany and what he described as "virtually complete surrender."

STEINHARDT

661.9431/29 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 17, 1941—3 p. m.

[Received 3:05 p. m.]

791. With respect to the Soviet-Japanese trade negotiations which he does not expect to be completed for another 2 or 3 weeks, the Japanese Ambassador told me last night that the Soviets were to deliver to Japan relatively small quantities of oil and also manganese and platinum and had agreed to take one million yen worth of silk. He said that the Soviet officials had irritated him by continuing at each meeting to press him for rubber and tin which he had repeatedly told them were not available to Japan for export. The Japanese have, however, he said, agreed in principle to purchase copper in Chile for delivery to the Soviets "who are to keep part and deliver part to Germany".

As the Japanese desire many articles that the Soviets can deliver and have little to offer in exchange which the Soviets wish, discussions are now proceeding on the basis that the Japanese will endeavor to make purchases for Soviet account in the southern Pacific area and the Western Hemisphere which purchases the Soviets will finance if necessary. The Ambassador "believes" that some of these purchases when made will be for delivery to Germany by the Soviets as he said "we (Japan) have for some time been making substantial purchases for Germany and shipping these through the Soviet Union".

He said that virtually the entire Far Eastern soy bean crop was being sought by Germany either in the bean or preferably, wherever possible, processed into oil.

In connection with the fisheries negotiations, the Ambassador said that having agreed to a 20 percent increase in rentals on fishing lots

for 1940 as against 1939 (see my 125, January 21, 8 p. m.⁷¹), the Soviets were now demanding a 100 percent increase over the present lot rentals as a condition to the conclusion of a long term fisheries convention. He remarked that as the principal market in the past for Japanese canned fish had been the British Empire which market was now almost nonexistent and as the Japanese ate principally fresh fish, he did not see how the Japanese could pay such rentals as they would in such case forfeit their competitive position in the world market.

Repeated to Tokyo.

STEINHARDT

761.9411/138

The Navy Department to the Department of State

[WASHINGTON,] April 17, 1941.

The following message was received from the Naval Attaché at Ankara this date:

[Paraphrase] When explaining the Japanese-Russian pact, the Russian Naval Attaché said that the Russian policy is clear and that it is to allow everyone else to fight while Russia fights with no one.

761.9411/84 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, April 17, 1941—7 p. m.

234. Your 552, April 14, 6 p. m., numbered paragraph 1. The Department notes the statement that the documents published in Tokyo relating to the pact of neutrality concluded between the Soviet Union and Japan are represented to be merely summaries of the treaty and of the accompanying joint declaration. What has been reported from Moscow as the text of the pact and of the accompanying joint declaration published there does not differ materially from the summaries reported by you. The Department would appreciate your comments as to whether the designation by the Japanese Government of the pact and the accompanying declaration as summaries has any special significance.⁷²

HULL

⁷¹ Not printed.

⁷² The Ambassador in Japan, in telegram No. 579, April 19, 11 a. m., replied that the designation had "no special significance and is merely a device to avoid a breach of the law which forbids the publication of the text of treaties prior to their ratification by the Emperor and publication in the *Official Gazette*." (761.9411/110)

762.9411/251 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Тоkyo, April 18, 1941—5 p. m.
 [Received April 18—1:15 p. m.]

577. Embassy's 517, April 7, 7 p. m.⁷³

1. In a conversation yesterday with the confidant⁷⁴ mentioned in the telegram under reference, Dooman⁷⁵ brought out the following points during a discussion which followed the suggestion that the United States use its good offices to bring about an end of the China conflict:

(a) By joining Germany and Italy in an alliance, Japan had assimilated the Far Eastern problem with the European problem, and it would be idle for Japan to suppose that, so long as she remained an ally of Germany, termination of the China conflict of itself would stabilize her relations with the United States;

(b) Japan has concluded a treaty with Russia, the ostensible purpose of which is to promote her own security, even though she has never concealed her fear of Russia, her mistrust of the Soviet Government, and her dislike of communism. One could therefore properly suppose that her real purpose in concluding that treaty lies outside of the treaty's stipulations. The pursuit of policies erected on a foundation of distrust, suspicion and the attainment of ulterior objectives through devious methods must inevitably have disastrous consequences;

(c) By linking herself to such countries as Italy and Germany and by relying in the conduct of her foreign relation[s on] expediency and opportunism, Japan has brought herself to such a pass that other nations in planning the defense of their legitimate interests have no choice but to take into account only the sinister aspirations of the extremists in this country and to discount entirely the peaceful protestations of the moderate elements. To illustrate, the countries opposed to Japan's alliance are obliged to take under notice the views of the activists with regard to the southern advance rather than the declarations of those who say that Japan seeks economic developing in the South Seas by peaceful methods.

2. The confidant brought back today from his principal⁷⁶ an oral message substantially as follows:

(a) When previously in office the principal had not only brought about the defeat of a project to conclude an alliance with Germany and Italy but he had brought to the attention of the American Government a proposal for the taking of steps to avert the war in Europe and to settle the Far Eastern question.⁷⁷ His proposal had not

⁷³ *Ante*, p. 128.

⁷⁴ Named Fujii.

⁷⁵ Eugene H. Dooman, Counselor of Embassy in Japan.

⁷⁶ Baron Kiichiro Hiranuma, Japanese Minister without Portfolio, who was Prime Minister in 1939.

⁷⁷ See telegram No. 234, May 18, 1939, 5 p. m., from the Ambassador in Japan, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 1.

been regarded with favor.⁷⁸ Therefore, it sat with ill grace upon the United States to place upon Japan entire responsibility for the situation created by Japan's having joined the Axis. However, he would emphasize that the rescript issued by the Emperor when the alliance was concluded stipulated that the alliance was to be used as an instrument for peace, and that, although Japan would not fail if occasion arose to honor its obligations under the alliance, the primary preoccupation of the Government is to seek to carry out the Emperor's wishes as set forth in the rescript.

(b) He could say in the strictest secrecy that the Cabinet had adopted a resolution at its last meeting (note: presumably on April 15) that the southward advance should be prosecuted only by peaceful means, and that a public declaration to that effect would be issued in the near future (note: the confidant expressed as his personal opinion that the declaration would not be issued until after Mr. Matsuoka's return from Moscow). However, the policy laid down in the resolution would lie outside the compass of any situation which might be created by drastic economic pressure on Japan or by foreign naval dispositions having the character of a blockade against Japan.

(c) With regard to the treaty with the Soviet Union, he deeply deplored the arising of the conditions which caused his Government to enter into the treaty. However, by balancing the mutual obligations of Germany and Japan with regard to their respective relations with [the] Soviet Union, the treaty would serve, he thought, to prevent the extension of hostilities.

3. Dooman had remarked yesterday to the confidant that, while the prevailing opinion appeared to be that the principal was being groomed for an even higher office, it was our belief that the principal had entered the Cabinet only to strengthen it and to help it to remain in power. The message was returned that the principal deeply appreciated the comment and that the comment was entirely correct.

GREW

761.9411/114: Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 20, 1941—8 p. m.
[Received 10:50 p. m.]

805. In the course of a conversation yesterday the German source known to the Department stated to me that the German Government "had not been entirely satisfied with the Soviet-Japanese Pact". He expressed the opinion that the Soviet Government's motive in signing the pact had been to put itself in a position to join the Tripartite Pact if it chose to do so or to be safeguarded against a Japanese attack in the event of a German invasion. He does not think, however, that

⁷⁸ See the Secretary of State's reply, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 6.

a German attack on the Soviet Union is imminent but believes that rumors of such an attack have been put out by Berlin and will be sustained in order to inspire fear in the Soviet Government in an endeavor to force it to join the Tripartite Pact, increase deliveries to Germany or accede to other German demands which he anticipates will shortly be made. He expressed the opinion in this connection that the "Soviet Union is now at the crossroads" and that it must shortly either join the Tripartite Pact or at least "go along with the new order", or "face an attack by the German Army along a front from the Baltic to the Black Sea". He believes that the Soviet Union will decide "to go along" and in doing so will "take what it can get" in reward.

He believes that Stalin "has been tremendously impressed by the collapse of Yugoslavia as, being a Georgian and a mountaineer, he respects force and had assumed that the Yugoslavs with their mountainous country could resist the German mechanized equipment for a long period of time."

He expressed the opinion that Stalin's jovial behavior toward the Germans present at the railroad station at the time of Matsuoka's departure and the editorial (see my 777 April 16, 1 p. m. and 802 of April 19, 2 p. m.⁷⁹) in *Pravda* foreshadow an attempt by the Soviet Government to improve its relations with Germany which he admitted had "deteriorated in recent months". In this connection he said that the German Government knows how to deal with the Soviets and that he expects Germany will now assume "a more severe and disagreeable attitude toward the Soviets than at any time since August 1939 as experience has taught Germany that when it wants anything from the Soviet Government the way to get it is to be stern and disagreeable.[""] He added that the Soviets consider that when they are well treated by another power it is a sign of weakness or of the desire to curry favor, whereas stern and disagreeable treatment indicates to them self-confidence and strength on the part of the other government which instills fear and results in concessions.

He expressed the opinion that the German military successes throughout Europe thus far have been due almost exclusively to its possession of large mechanized forces and that the defeats sustained by other powers including Britain had been occasioned by the absence of adequate mechanized equipment. He said that modern war is a war of tanks, armored cars and mechanized equipment and that any country which does not possess such equipment in quantities comparable to those Germany puts into action obviously could not resist an assault.

⁷⁹ Latter not printed.

He admitted that Matsuoka gave Stalin "certain assurances" with regard to the surrender of the Japanese concessions in Northern Sakhalin but expressed doubt that Matsuoka "could put it through."

He implied that the recurrent rumors of invasion of England are put out from Berlin for the purpose of immobilizing as many British forces as possible in England and added that such rumors may be expected periodically throughout the duration of the war.

STEINHARDT

761.94/1321

*The Ambassador in Japan (Grew) to the Secretary of State*⁸⁰

No. 5529

Токго, April 21, 1941.

[Received May 16.]

SIR: In connection with the conclusion on April 13 of the pact of neutrality between the Soviet Union and Japan and with reference to the Embassy's telegrams nos. 480, March 29, 10 a. m., and 538, April 11, noon,⁸¹ I have the honor to outline as background material the following account of the course of the Soviet-Japanese negotiations leading up to the Pact, which has been conveyed to a member of my staff by the members of the immediate family of Mr. Togo, former Japanese Ambassador to Moscow.

According to the above-mentioned sources, in early October, 1940, Ambassador Togo, following negotiations begun in the summer,* had reached a series of agreements with the Soviet Government consisting of the following: (1) a Soviet-Japanese non-aggression pact; (2) a permanent fisheries convention; (3) an agreement in principle for a commercial accord the details of which were to be worked out separately. In addition, the Soviet Government had given categorical assurances that following the signature of a non-aggression pact with Japan Soviet aid to General Chiang Kai-shek would cease. Although these agreements were to be ready for signature in early October, Mr. Matsuoka in connection with the reorganization of the Japanese Foreign Office and diplomatic service did not desire that Mr. Togo, who was already slated for retirement, should sign these agreements which represented a considerable diplomatic victory for Japan. He,

⁸⁰ Drafted by the Second Secretary of Embassy in Japan (Bohlen), formerly in the Soviet Union.

⁸¹ Latter not printed.

*As quoted in the Japanese press, Moscow, *Pravda* on April 19, in reviewing foreign reactions to the Soviet-Japanese neutrality pact, declared that the first proposal for such a pact was made in July, 1940, by the Japanese Ambassador in Moscow and was accepted in principle by the Soviet Government but that discussions as to the terms delayed the final conclusion. [Footnote in the original.]

therefore, brought about the recall of Ambassador Togo and sent in his place, Lieutenant-General Tatekawa who was to have the honor of signing the agreements. However, when the negotiations were resumed by General Tatekawa in the middle of November, 1940, following Molotov's return from Berlin, the Soviet attitude completely changed and the negotiations made no progress largely, according to this source, because of the personal incompetence of General Tatekawa. The Soviet Union then for the first time presented a number of territorial and other demands as the price of the conclusion of a nonaggression pact and cessation of aid to China. These demands included (1) the cession by Japan of southern Saghalien; (2) certain islands of the Kurile and, in addition, important frontier rectification in favor of the Soviet Union of certain portions of the Siberian-Manchurian frontier, and certain "special facilities" for Soviet trade in Korean and Manchurian ports. As a result of these demands which were categorically and definitely refused by the Japanese Government, the political negotiations with the Soviet Union which in October had been virtually successfully concluded came to a standstill.

In the beginning of January, Mr. Matsuoka consulted with former Ambassador Togo as to the advisability of a personal visit to Moscow as a means of breaking the deadlock in the political negotiations, a suggestion which Mr. Togo strongly approved. It was decided, however, that in order to avoid too great an appearance of eagerness that the visit would be announced as one to Berlin and Rome which would likewise afford the Foreign Minister an opportunity of holding important consultations with Hitler and Mussolini. Despite the public announcement that the purpose of Matsuoka's visit to Europe was to consult the German and Italian Governments, official Japanese circles in Tokyo, particularly in the Foreign Office, were well aware that the concrete aim of his trip was to attempt to rescue the negotiations with the Soviet Union which had broken down due to his "blunder" in changing ambassadors at an unpropitious moment. Consequently, in these same circles it was felt that Mr. Matsuoka would make every effort to obtain some form of agreement with Russia since to return empty-handed would seriously compromise his position. On the other hand, it was felt that if he obtained some political agreement with the Soviet Union on satisfactory terms his personal prestige would be so greatly enhanced that he might well succeed Prince Konoye as Prime Minister in the event of the latter's resignation.

According to the same source, Mr. Matsuoka, during his first visit to Moscow en route to Berlin, was afforded little encouragement by Stalin as to the prospect of effecting a settlement on any reasonable terms and it was only during his stay on the return trip that the

Soviet Government showed a disposition to accept a reasonable basis of negotiations and only at the very close of that stay was Soviet agreement to the pact forthcoming.

While it appears obvious that too much emphasis is placed on the personal element in explanation of the failure of Japan to obtain the desired agreement last autumn and that certain of the details of the foregoing account are colored by the same personal factor, in its main outline the résumé of the Soviet-Japanese negotiations coincides with information from other sources. It is for example true that in early October a Soviet-Japanese political agreement on terms favorable to Japan was believed imminent and in this connection it may be added, according to a member of my staff who was in Moscow at the time, members of the German Embassy there were quite outspoken in characterizing the removal of Mr. Togo at that time as a very serious political mistake on the part of the Japanese Government. The opinion may be offered, however, that in so far as the change of ambassadors had any effect on Soviet policy, such change was due less to the personality of the individuals than to the interval which elapsed between Mr. Togo's departure on October 17th and the beginning of General Tatekawa's negotiations with Mr. Molotov in November, since during this interval occurred the visit of Mr. Molotov to Berlin.

Possibly the chief interest of the foregoing information lies in the illustration it affords of the degree to which Soviet policy in the Far East, particularly towards Japan, varies in ratio to the state of Soviet-German relations.

Without going into details, which do not lie within the purview of this despatch, it can be stated that according to available information the periods in the Soviet-Japanese negotiations outlined above when the Soviet Government was adopting a conciliatory attitude toward Japan correspond in time with periods when Soviet apprehension as to Germany's immediate intentions was greatest and, conversely, that the stiffened Soviet attitude in the negotiations with Japan followed the receipt of assurances by the Soviet Government as to Germany's policy towards the Soviet Union. For example, during the months of September and October, 1940, it was reported that the Soviet Union was extremely uneasy as to the possibility of a complete reorientation of German policy in Eastern Europe which found its reflection in the apparent willingness of the Soviet Government to conclude a far-reaching political agreement with Japan on terms favorable to the latter; following Molotov's return from Berlin the assurances which he obtained there as to Germany's intentions were clearly not without effect in bringing about a revision of the Soviet attitude toward Japan and the demand for territorial and other concessions as the price for

an agreement. This attitude remained adamant up to the German military successes in the Balkans which apparently again revived Soviet apprehensions as to the immediate future and it may be assumed were in a large measure responsible for the somewhat sudden decision of the Soviet Government on April 13 to conclude a political agreement with Japan.†

There is little to be added to the opinions expressed in the Embassy's no. 552, April 14, 6 p. m., in regard to the immediate effect on Japan and Japanese policies of the neutrality agreement with the Soviet Union. Subsequent information tends to confirm the view expressed therein that Mr. Matsuoka obtained an agreement of only a limited character designated as a pact of neutrality involving no Soviet commitment in regard to the question of Soviet aid to China.‡ It may be, however, a mistake to place too great emphasis upon the negative character of the pact and thereby to underestimate its actual and potential significance. While it is true that the pact in itself changes little and adds little to the actual state of relations between the two countries, and may therefore be regarded as little more than a formulation in a public document of a previously existing situation, it should nonetheless be borne in mind that the Tripartite Pact itself insofar as Japan is concerned is affirmed by Japan, specifically in the imperial rescript which was issued when the alliance was concluded and by public declarations of its highest officials, to be designed primarily to prevent the extension of hostilities. Indeed even the conditions under which it becomes operative are not clearly defined and are left to Japan to determine. Furthermore all agreements concluded by the Soviet Union prior to and subsequent to the outbreak of the European war, with the exception of the short-lived treaties with the Baltic States, have been entirely negative in character. But it is precisely towards the continuance of such a negative policy on the part of the Soviet Union that, up to the present, Axis and Japanese diplomacy has been successfully directed, whereas the interest of the anti-Axis powers would lie in the adoption by the Soviet Union of a positive anti-Axis policy. Consequently any reaffirmation on the part of the Soviet Union of its intention to continue a negative policy of non-involvement in the present war and especially, in the present instance, of the extension of that policy to the Far East, must be counted as a diplomatic success for Japan and its Axis associates. Furthermore, even if the agreement is little more than a public statement of an already existing situation it nonetheless indicates on the part of the signatories a certain expectation that that situation will persist for at least the immediate

†See Moscow's telegram no. 762, April 13, 10 p. m. [Footnote in the original.]

‡See Moscow's telegram no. 790, April 17, 2 p. m. [Footnote in the original; telegram not printed.]

future, and as long as the conditions which gave rise to the pact do persist the trend towards improvement in their relations will be likely to continue.

In regard to the general situation in the Far East perhaps the most important aspect of the pact for Japan lies in the implication which it contains in regard to future Soviet-Chinese relations. Although as indicated above, there is no evidence to justify the belief that the Soviet Union entered into any commitment in regard to China, which appears to have been excluded from Mr. Matsuoka's discussions in Moscow, it remains a fact that the conclusion of a neutrality agreement with Japan would appear to be in direct violation of Article 2 of the Soviet-Chinese pact of non-aggression of August 21, 1937,⁸² and whereas in the latter pact Soviet policy in the Far East appeared to have one basis, namely support of the Chinese Republic, it now has two fundamentally contradictory points of departure. It would appear logical that should Soviet-Japanese relations, as predicted both in the Japanese and Soviet press, develop favorably on the basis of the neutrality pact, then, irrespective of Soviet assurances to China to the contrary, such a development would be accompanied inevitably by a progressive and gradual drift away from previous Soviet policy of aid to General Chiang Kai-shek. There have been indications in recent Japanese press comment which reveal that Japan is hopeful of some such development as a result of the agreement with the Soviet Union. Japan may therefore be expected to use every effort to cultivate its relations with the Soviet Union but in view of the history of the recently concluded negotiations, outlined above, it would appear that the future trend of Soviet-Japanese relations, will be in large measure determined by the progress of the European war and the extent of the real or potential German threat to the Soviet Union.

Respectfully yours,

JOSEPH C. GREW

761.9411/142

The Ambassador in China (Johnson) to the Secretary of State

No. 845

CHUNGKING, April 22, 1941.

[Received May 15.]

SIR: With reference to paragraph numbered six of my telegram no. 138, April 16, 1941,⁸³ quoting editorial comment from the *Hsin Hua Jih Pao* in relation to the conclusion of the Russo-Japanese Neutrality Pact, I have the honor to enclose herewith a copy in translation of a pamphlet⁸³ circulated in Chungking on April 20, 1941 by represent-

⁸² Signed at Nanking, League of Nations Treaty Series, vol. CLXXXI, p. 101.

⁸³ Not printed.

atives of the Chinese Communist Party purporting to give expression to the opinion of the Chinese Communist Party concerning this subject.

In summary, the pact is held to be in accord with the traditional Soviet policy of "peace and neutrality", to ensure the safety of Russia's eastern border and the peaceful development of socialism, to have elevated the position of Soviet Russia, to involve no change in Russia's policy toward China, and to have settled the question of border disputes in Manchuria and Outer Mongolia to the benefit of China. Now that the pact has been concluded, China is urged to persist in resistance, organization and progress.

Of perhaps chief interest and significance is the pointed assertion that the question of future Russian aid to China may depend on the treatment accorded by the Kuomintang to the Chinese communists. The argument advanced in defense of the Russian action in contracting to respect the integrity of "Manchoukuo" seems to lack conviction.

The attitude of the Chinese Communist Party, as reflected by the comment offered in the *Hsin Hua Jih Pao* and the article enclosed with this despatch, would appear yet once again to be a faithful echoing of the policy espoused by Moscow—whatever its character. It was so when Soviet Russia came to an agreement with Germany in August 1939, when Soviet Russia invaded Finland, when Russia swallowed up a portion of Poland and the three Baltic States and Bessarabia. In this instance the Chinese Communist Party gives evidence of supporting a policy of the Soviet Union which may not prove advantageous to the rights and interests of China. It will be interesting to observe to what extent the fortunes of the Chinese Communist Party are affected by the recent action of the Soviet Union in concluding a pact of neutrality with Japan.

Respectfully yours,

NELSON TRUSLER JOHNSON

762.94/532 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 24, 1941—8 p. m.

[Received April 24—6:42 p. m.]

843. With reference to Berlin's 1559 of April 23, 3 p. m.,⁸⁴ I have learned from a reliable source that shipments from the Far East to Germany over the Trans-Siberian Railway are now moving westward regularly at the rate of 100 cars a day without further difficulties and that the German Embassy in Moscow is confident of a substantial increase in the volume of traffic in the near future. The mere fact that

⁸⁴ Not printed.

the impediments which existed to this movement prior to Matsuoka's visit to Moscow have been removed would seem to justify the confidence expressed by members of the German Embassy.

Repeated to Berlin.

STEINHARDT

761.9411/126 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, April 25, 1941—6 p. m.
[Received April 25—10:25 a. m.]

602. The following information has been obtained from a reliable source:

The Black Dragon Society, which is both anti-Fascist and anti-Communist, sent a delegation to call on Mr. Matsuoka immediately after his return to Tokyo from Moscow and put to him a series of interrogatories with regard to the extent of the agreement which he had concluded at Moscow. Mr. Matsuoka gave the most categorical assurances that the Japanese-Soviet neutrality treaty contained no secret clauses, that the complete text of all documents signed or agreed upon had been published, and that no oral engagement of any kind was given either by Japan or the Soviet Union. He added that the question of the signatories reducing their respective military forces in [Manchuria?] and in Siberia had not even been discussed.

Repeated to Moscow.

GREW

761.94/1323

*The British Embassy to the Department of State*⁸⁸

TELEGRAM FROM LONDON DATED APRIL 22ND, 1941

Following received from Moscow:

After receiving the message Matsuoka proceeded to talk volubly about his trip and his policies. The following were among his points of policy.

(1) He had always been quite frank with His Majesty's Ambassador at Tokyo about his visit. Having signed the Tripartite Pact for better or worse, he had wanted to see Hitler, Von Ribbentrop and Mussolini. He had read a great deal about the two former, but had never met them.

(2) His stay in Moscow was merely a question of passage, though he had always wanted to achieve a *rapprochement* with the U. S. S. R.

⁸⁸ Transmitted on April 25 to the Adviser on Political Relations (Hornbeck); noted by the Secretary of State and Under Secretary of State on April 28.

(3) He did not think that he would be able to make any agreement in Moscow. Russians were very hard bargainers.

(4) He regretted the attitude of His Majesty's Government and the Press and could not think why we were so suspicious of Japan's intentions in the South.

(5) All Japan wanted was legitimate export expansion and nothing more.

2. I pointed out the fact that they associated themselves with our enemies in the Tripartite Pact and the well-known desire of Germany that Japan should create difficulties for us in the Far East were a perfect basis for serious suspicion.

3. He explained that Japan had entered into the Pact in order to try and stop a disastrous war in the Far East owing to the most unfriendly attitude of the United States. But he had given instructions that attacks on Great Britain and the United States in the Japanese Press were to stop and he was most anxious to avoid a war in the Far East or embroilment in the European war.

4. He spoke of his interview with the Pope and his own fear of the destruction of civilisation which it would take a matter of 2,000 years to rebuild. He emphasised his view of the danger of a world revolution if Germany were defeated. He had obviously been much impressed by Hitler's anti-Red propaganda.

5. When I pointed out that a war was inevitable if one man tried to rehabilitate the world by force, he said "at any rate he will never dominate Anglo-Saxon or the Japanese peoples."

6. His whole attitude displayed nervousness at the situation of his own country and fear of being drawn into the war. He obviously desired to create the impression that Japan would not fight for any southward expansion.

7. Speaking of American attitude he said that they wanted Japan to withdraw from China, but this the Japanese would never do as they were determined to introduce the new order in China.

8. Finally he asked me to thank the Prime Minister for sending him a copy of the message and also to express his friendly remembrances to yourself.

740.0011 European War 1939/10383 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, April 27, 1941—noon.

[Received 12:12 p. m.]

605. Embassy's 534, April 10, 10 p. m.⁸⁶ Following is Mr. Mat-suoka's reply to Mr. Churchill's recent message the original of which

⁸⁶ See footnote 39, p. 928.

it is understood was to be delivered by the Japanese Ambassador in London:

"Gaimusho, Tokyo, April 22, 1941. Your Excellency: I have just come back from my trip and hasten to acknowledge the receipt of a paper, handed to me at Moscow on the evening of the 12th instant by Sir Stafford Cripps with remark that it was a copy in substance of a letter addressed to me dated London, April 2, 1941, and forwarded to Tokyo.

I wish to express my appreciation for the facilities with which your Government made efforts to provide our Ambassador when he wanted to meet me on the continent. I was keenly disappointed when I learned that he could not come.

Your Excellency may rest assured that the foreign policy of Japan is determined upon and after an unbiased examination of all the facts and a very careful weighing of all the elements of the situation she confronts, always holding steadfastly in view the great racial aim and ambition of finally bringing about on the earth the conditions envisaged in what she calls *Hakko-Ichiu*, the Japanese conception of a universal peace under which there would be no conquest, no oppression, no exploitation of any and all people. And, once determined, I need hardly tell Your Excellency, it will be carried out with resolution and utmost circumspection, taking in every detail of changing circumstances.

I am, believe me, Your Excellency's obedient servant, Yosuke Matsuoka. His Excellency the Right Honorable Winston Churchill, Prime Minister of Great Britain."

Sent to the Department. Repeated to Moscow.

GREW

761.9411/130: Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, April 28, 1941—11 a. m.

[Received 1:20 p. m.]

857. The Moscow papers yesterday published telegrams sent by Matsuoka to Stalin and Molotov on the occasion of the ratification of the Soviet-Japanese pact. In his message to Stalin after renewing his expressions of congratulation and thanks over what he described as a "Blitzkrieg" accomplished without diplomatic formalities. Matsuoka said: "I believe and do not doubt that thanks to the cooperation of Your Excellency, relations between Japan and the Soviet Union will strengthen even more."

The press also published a joint reply from Stalin and Molotov which in addition to the usual polite phrases contained the following statement: "We express the firm conviction that the pact of neutrality which has entered into effect is a basis for further improvement of

Soviet-Japanese relations the development of which the peoples of our country will greet with satisfaction.”

STEINHARDT

761.9411/132 : Telegram

The Ambassador in China (Johnson) to the Secretary of State

CHUNGKING, May 10, 1941.

[Received 4:25 p. m.]

174. My 137, April 16, 10 a. m. Last evening while visiting the Foreign Minister I inquired whether the Chinese Government had received any assurances from the Soviet Government in connection with its inquiry regarding the Soviet-Japanese Neutrality Pact signed at Moscow. Doctor Wang stated that Molotov⁸⁷ had assured the Chinese Ambassador at Moscow that throughout the discussions nothing was said or considered relating to China and that the policy of the Soviet Government toward China would be unchanged as long as China continued its resistance to Japan. Similar assurances had been received from Soviet Ambassador here. He said that Molotov stated that ever since the arrival of the Japanese Ambassador in Moscow last summer the Japanese had been seeking a nonaggression pact similar to the one signed by the Soviet Government with Germany in 1939, that the Soviet Government had refused to sign such a pact but had finally consented to sign with the Japanese a neutrality pact similar to neutrality pact signed between the Soviet Government and the German Government in 1926.⁸⁸

I inquired whether the Chinese Government had any confirmation of the reports that traffic over the Trans-Siberian Railway by passengers had been stopped. He stated that there was no truth in these reports and cited the fact that the British Legation personnel from Hungary had traveled over without difficulty and reports from Chinese consular officers and Chinese travelers to the same effect. He said that there had been two troop trains reported as moving west on the railway but that these had not proceeded as far as European Russia. His comment was that reports were evidently of Japanese origin to give emphasis to their new pact with Russia. He stated that it was his information that the Japanese at first enthusiastic about the Matsuoka pact had upon further thought grown cool on the subject. It was his own view that the pact was a triumph by Molotov as it separated Japan from the Axis.

⁸⁷ Vyacheslav Mikhailovich Molotov, Soviet Commissar for Foreign Affairs, was succeeded as Chairman of the Council of Commissars of the Soviet Union (Premier) on May 6 by Iosif Vissarionovich Stalin, who continued also as Secretary General of the Communist Party of the Soviet Union.

⁸⁸ Signed at Berlin, April 24, 1926, League of Nations Treaty Series, vol. LIII, p. 387.

Sent to the Department. Repeated to Peiping. Peiping please repeat to Tokyo. Code text by air mail to Moscow.

JOHNSON

740.0011 European War 1939/10806 : Telegram

The Ambassador in China (Johnson) to the Secretary of State

CHUNGKING, May 11, 1941—10 a. m.
[Received 10:38 a. m.]

178. Last evening before dinner, Generalissimo took me aside and asked me to tell you that he had good information that Germany plans attack on Soviet Russia between end May and middle June and expressed personal opinion that any irritation of Germany by United States during that period would cause Germany to change policy and refrain from attack. I inquired whether I was to understand that he desired that Germany attack Russia, he replied in the affirmative but gave no explanation.⁸⁹

JOHNSON

740.0011 European War 1939/10945 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 15, 1941—6 p. m.
[Received May 15—9:40 a. m.]

681. Embassy's 673, May 14, 5 p. m.,⁹⁰ paragraph numbered 2.

1. In discussing yesterday with my British colleague operation of article 3 of the Tripartite Pact, the Minister for Foreign Affairs expressed the personal opinion that Japan could consider herself entirely absolved from responsibility for the implementation of that article only in the event of an actual German attack on American territory. The foregoing opinion was, however, subject to the Minister's overriding reservation that he was not at the moment conveying the settled policy of the Japanese Government on that subject.

2. A more extensive report of yesterday's conversation between the British Ambassador and the Minister for Foreign Affairs is being telegraphed via Shanghai in Embassy's 680, May 15, 5 p. m.⁹¹

GREW

⁸⁹ In telegram No. 184, May 14, 11 a. m., the Ambassador in China reported that on May 13 Generalissimo Chiang amplified his remarks by stating his opinion that "if the United States entered war against Germany at present moment this would throw Germany and Russia into closer relationship, a situation which he considers would be very dangerous." (740.0011 European War 1939/10901)

⁹⁰ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 145.

⁹¹ Not printed.

740.0011 European War 1939/11032: Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, May 22, 1941—5 p. m.

287. There is repeated below for your information the substance of a strictly confidential telegram of May 17 from Moscow:

"The Japanese Ambassador told me last night that in the course of a conversation with Molotov 2 days ago Molotov had said that the rumors of an impending German attack on the Soviet Union were the result of 'British and American propagandists' and were entirely without foundation. Molotov had added that in fact Soviet-German relations were 'excellent'.

"I asked the Ambassador whether it was a fact that the Soviet Government was cooperating with Germany by increasing shipments from the Orient over the Trans-Siberian railway to which he replied 'Germany now has 140 fully trained and equipped divisions on the Soviet frontier, the Soviets have 110, of which only 34 are fully trained and equipped. I think the cooperation will steadily increase.' He confirmed the fact that shipments to Germany over the Trans-Siberian have been steadily increasing but was unable to give me the percentage of increase during the past few weeks.

"Insofar as concerns Soviet-Japanese relations the Ambassador said that the Soviets had been 'behaving somewhat better' since the signature of the neutrality pact but that the conclusion of a trade agreement had been delayed by a renewed demand for rubber by the Soviets at the last moment. He remarked that the Soviet Government had abandoned its request for tin as he believed they had located a source of supply but were most insistent upon the Japanese delivering rubber. He said that no progress had as yet been made towards a fisheries convention."

HULL

761.94/1325: Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, May 27, 1941—6 p. m.

[Received 7:20 p. m.]

1051. The Japanese Ambassador told me this morning that his negotiations with the Soviet authorities looking towards a trade agreement and a permanent fisheries convention continue to be "dead-locked." He said that in addition to their repeated demands for rubber, the Soviet authorities now insist that Japan make substantial purchases in North and South America for Soviet account, pointing out that the United States and other countries of the Western Hemisphere would more likely hesitate to refuse sales to Japan than to the Soviet Union. He added that the Soviet demands particularly

in respect of rubber, tin, and copper were so excessive that up to the present his Government could not see its way clear to meet them. He also said that the conferences to fix the permanent boundary between Manchukuo and Outer Mongolia were nearly finished and that conversations will shortly begin to fix the permanent border between Manchukuo and the Soviet Union particularly with respect to the question of the ownership of certain islands in the Amur River which has long been a source of conflict between the two Governments.

With respect to Soviet-Japanese relations in general, he said there had been no marked improvement in these relations since the pact of neutrality with the possible exception of a more reasonable attitude by the Soviets in connection with the demarcation of frontiers.

The Ambassador said that based on his general observations and talks with Axis diplomats and members of the Soviet Government, he does not anticipate a German attack on the Soviet Union this summer although he is aware of the fact that his colleague in Berlin does not share this view and that preparations have been made by the Germans to carry out such an attack and by the Soviets to resist it. Speaking as an army officer, he gave it as his opinion that the Soviet Army is not capable of any real resistance to Germany and that the conquest of such areas in the western part of the Soviet Union as Germany might undertake would be a comparatively simple matter although he expressed some doubt as to the ability of the Germans to translate any such conquest into economic or other advantages greater than those now flowing from Soviet cooperation.

Tatekawa likewise stated that he understood that the British are about to take steps to interfere with Japanese whaling operations in order to prevent the continued shipment of whale oil to Germany over the Trans-Siberian.

Repeated to Tokyo.

STEINHARDT

762.9411/261 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, May 31, 1941—noon.

[Received May 31—5:03 a. m.]

754. The Foreign Minister released a statement yesterday which is translated as follows:

“It appears that some American newspapers have recently published statements speculating that Japan was becoming cooler toward the Tripartite Alliance. However, there is no doubt whatever that the Tripartite Alliance is the keynote of Japan's national policy. As far as I am concerned, I do not believe that responsible American Gov-

ernment officials entertain any such false idea. If, however, there is any such misunderstanding, it is certainly a great misunderstanding. If such distorted reports are circulating in American newspaper circles, I cannot but think that they are based on a report floated for a special purpose. I consider that it is not improper to take the present occasion to clarify this point.

Furthermore, I wish to take the present opportunity to clarify the following points:

(1) Japan's fundamental policy has for a long time been firmly established and has undergone no change whatever.

(2) Since the conclusion on September 27, last, of the Tripartite Pact, Japan's foreign policy has consistently been conducted with this Pact as its pivot. This should be clear to all from the statements on various occasions by Prime Minister, Prince Fumimaro Konoye, and myself as well as from the subsequent development of Japan's policy. There has, of course, been not the slightest deflection from this course of policy.

(3) It is, therefore, absolutely impossible to imagine that Japan should fail in the slightest degree to carry out faithfully her obligations under the Tripartite Pact.

(4) As has frequently been affirmed, Japan's policy toward the South Seas is peaceful. Should, however, untoward international developments render the execution of such policy impossible, it is a possibility that Japan may have to reconsider her attitude in the light of the changed situation."

GREW

661.9431/32 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 12, 1941—4 p. m.
[Received June 13—3:10 a. m.]

812. The following "joint" communiqué of the Japanese and Soviet Governments concerning the Japanese-Soviet commercial negotiations was issued by the Cabinet Bureau of Information at 1 p. m. today and is published in the afternoon papers:²²

"Negotiations which have been under way between the Japanese Ambassador Tatekawa and Soviet Trade Commissar Mikoyan in Moscow since February 8 on a Japanese-Soviet commercial pact and a pact concerning their trade and payment have made favorable headway, as a result of a mutual spirit of compromise, and the Japanese Government has gone through necessary procedures for the drafting of the two pacts."

According to the announcement of the Cabinet Board of Information, two pacts will be concluded; (1) a Japanese-Soviet commercial agreement valid for 5 years and automatically renewed unless de-

²² The Ambassador in the Soviet Union in telegram No. 1136, June 12, 4 p. m., reported a similar announcement in Moscow (761.94/1328).

nounced by either party which will extend reciprocal most-favored-nation treatment in regard export and import duties, restrictions on exports and imports, ships and cargoes, customs procedure, tonnage dues, harbor dues, pilot fees, and other matters; (2) an agreement concerning trade and payments valid for 1 year and in the absence of cancellation by either party automatically renewable for a similar period. The latter agreement provides for a total annual trade turn-[over?] of 60 million yen between the two countries, with Japanese exports to the value of 30 million yen of raw silk, cocoons, machines, instruments, camphor oil, general merchandise, and imports of equal value from the Soviet Union of petroleum products, manganese ore, platinum, fertilizer and general merchandise with payments to be effected on the basis of the yen.

Sent to the Department via Shanghai, repeated to Moscow.

GREW

740.0011 European War 1939/12029 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, June 13, 1941—9 p. m.
[Received June 13—1:30 p. m.]

820. For the Secretary and the Under Secretary.

1. My Polish colleague has informed me in strictest secrecy of a telegram received from Mr. Zaleski, Polish Minister for Foreign Affairs in London, dated June 11, of which the following is a translation. Even while making full allowances for the Nazi capacity for intrigue, it is difficult to appraise this information at its face value, but I pass it on to the Department in view of its substantial source and in case it should fit in with other information known to our Government.

2. (Begin translation.) On May 23 Doctor Schacht⁹⁸ informed the Chinese Government that in order to avoid, if possible, the intervention of the United States in the European war, Germany would be prepared to abandon Japan and to effect a *rapprochement* with China. China has decided to reply with a refusal and to so inform President Roosevelt. Doctor Schacht foresaw that after German offensive in the direction of the Near East, Germany during the course of the summer will attack Soviet Russia. He did not hide the serious losses of Germany, the dissensions among the Nazis and the discouragement which is increasing among German population as a result of the prolongation of the war.

Doctor Schacht's observations may well represent an effort on his part to endeavor to conciliate the British and American pacifists in return for collaboration for the destruction of communism.

⁹⁸ Hjalmar Schacht, German Minister without Portfolio and former President of the Reichsbank.

The Soviet Minister in Stockholm is aware that Germany actually proposed to Russia to allow her a free hand in the Pacific which would lead to the assumption that this would entail the abandonment of Japan by Germany. The Soviet Government is reported to have refused to enter such a combination. (End translation.)

GREW

762.9411/270 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 19, 1941—10 a. m.

[Received 3:20 p. m.]

852. Rumors persist in Tokyo that a division of opinion on matters of high policy exists within the Cabinet. While Japan is publicly committed to the tripartite alliance a strong resistance to totalitarianism, especially of the Nazi type, has recently become apparent. This fact together with considerations in the field of international relations such as trends in American policy and possible future moves of Germany in respect to Soviet Russia may be responsible for the "standstill" atmosphere which now prevails in Tokyo.

It may be of value to point out certain indications of this conflict of opinion within Japan, one notable reflection of which is the exceedingly mild nature of the reply to the Government of the Netherlands Indies.⁹⁴

1. During discussions by delegates to the meeting of the Council of the Imperial Rule Assistance Association, it was divulged that a pamphlet containing the text of Matsuoka's address delivered at Hibiya Hall on April 26 was suppressed. Matsuoka on that occasion vehemently defended the German totalitarian system, stated that Japan's economic structure was greatly inferior to that of Germany and criticized Japanese business and Government leaders for incompetence and a lack of sense of responsibility. Probably for these reasons and because the tone of the speech was "Hitleresque" in the extreme, circulation of the 200,000 copies of the pamphlet, printed from the complete text supplied by Matsuoka, was prohibited by the Home Ministry.

2. Yanagawa, the Minister of Justice, is understood to have caused the arrest during the past few months of 440 minor Government officials whose expressed totalitarian ideas have made them subject to accusation under the provision of the thought control law specifying penalties for persons advocating the overthrow of the capitalist system. The recent imprisonment of the Director of the Agriculture

⁹⁴ See telegram No. 835, June 18, 3 p. m., from the Ambassador in Japan, vol. v, p. 179.

Policy Bureau of the Agriculture Ministry for appropriating funds for Matsuoka propaganda, is now reported to have been the direct cause of the resignation on June 11 of Ishiguro, the Minister of Agriculture.

3. The press of June 17 announced that a new Bureau for Thought Control would be set up within the Cabinet and that one of its principal objectives would be the suppression of dangerous thoughts held by Government officials.

4. The speeches by delegates to the Council of the Imperial Rule Assistance Association have been extremely enlightening in indicating dissatisfaction with Japan's policy and opposition to the trend toward Nazi Fascism. Speakers have admitted the existence of important pro-British and pro-American elements in Japan and at least one has urged that Japan should not imitate the Nazi system.

5. The above indications as well as the occasional expression of editorial criticism of German policy (such as that quoted in Embassy's 644, May 6, 6 p. m.⁹⁵) strongly suggest the lack of unity in the nation. They also imply that the direction of Japan's diplomatic policy has not been finally determined and that a sudden change is not impossible.

GREW

740.0011 European War 1939/12252 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, June 20, 1941—7 p. m.

[Received 11:15 p. m.]

1183. In the course of a conversation with the Japanese Ambassador this morning he told me that he had called on Molotov a few days ago and had sought to draw him out on the subject of Soviet-German relations. Molotov had indicated that there was no reason for alarm and said that if there were any "differences" it was his function to smooth them out. The Ambassador gained the impression that while the Soviet Government perhaps anticipates demands from Germany it assumes they will be of such a nature that they cannot be met and that it is complacent about its ability to meet the situation. He added, however, that since yesterday he had been unable to share Molotov's sanguine outlook.

Insofar as concerns the Japanese position in the event of the outbreak of war between the Soviet Union and Germany, the Ambassador said, "I do not think we will come in right away. We will probably

⁹⁵ Not printed.

wait to see what happens and if the outcome is what I think it will be we will pick up the pieces." He told me in the strictest confidence that the German Embassy has today started to make arrangements to evacuate 80 of its personnel and that he also had started today to evacuate as many of the members of his Embassy as possible. When he had made it clear to me that he expects a German attack on the Soviet Union, I asked him whether he could "guess the date" to which he replied, "I think about the end of the month because I have just heard that the weather in Germany is still 'too wet' but that by the end of the month it should be 'dry enough'." I then asked his opinion as to the duration of such a conflict to which he replied, "The Germans tell me that they have 35 mechanized divisions which they would employ and that they believe they can complete the operation in 2 months. I believe they have selected the months of July and August." Tatekawa remarked that he anticipated "chaos" and perhaps even mob rule in Moscow, adding that he thought the Government would probably "run away" without making any provision for the remaining diplomats and that he hoped the situation would not be too difficult for the diplomats between the time of the departure of the Soviet Government and the entry of the German Army into Moscow. He said that he assumed the Germans would bomb the bridges on the Trans-Siberian Railway making this means of exit impassable. He expects all communication with the northwest and south would be cut off as soon as the war broke out and expressed grave doubt that telegraphic communications would be available to the Diplomatic Corps.

Speaking as a military man, he expressed the opinion that the Red Army, which he said was anxious to fight Germany, might make a creditable showing for a brief period of time but that when the break came it would be largely a question of the Germans collecting hundreds of thousands of prisoners.

Towards the close of our discussion I asked the Ambassador whether in his opinion the tension which has been now built up to a peak might not be a pressure move or bluff designed to extract the maximum concessions from Stalin. He replied, "Of course, that is entirely possible and I have no definite information that a final decision has been made in Berlin to attack. But since yesterday I have had the distinct impression that Hitler has decided to liquidate communism and that he intends to attack irrespective of any concessions that Stalin might be prepared to make and that after having liquidated communism he may endeavor to negotiate peace with England."

Repeated to Tokyo.

740.0011 European War 1939/11970 : Telegram

The Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, June 21, 1941—2 p. m.

347. For your strictly confidential information, the Department has furnished the Embassy in London, in connection with the current reports of a possible Anglo-Russian *rapprochement* in the face of Russo-German tension, the following outline of this Government's present policy toward the Soviet Union:

- “1. To make no approaches to the Soviet Government;
2. To treat any approaches which the Soviet Government may make toward us with reserve until such time as the Soviet Government may satisfy us that it is not engaging merely in maneuvers for the purpose of obtaining unilaterally concessions and advantages for itself;
3. To reject any Soviet suggestions that we make concessions for the sake ‘of improving the atmosphere of American-Soviet relations’ and to exact a strict *quid pro quo* for anything which we are willing to give the Soviet Union;
4. To make no sacrifices in principle in order to improve relations;
5. In general, to give the Soviet Government to understand that we consider an improvement in relations to be just as important to the Soviet Union as to the United States, if not more important to the Soviet Union;
6. To base our day-to-day relations so far as practicable on the principle of reciprocity.”

HULL

740.0011 European War 1939/12350 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 23, 1941—5 p. m.
[Received June 23—11:08 a. m.]

867. 1. There has thus far been no authoritative or otherwise definitive reaction here to the German attack on Russia.⁹⁶ The importance of this development was, however, attested to by a meeting yesterday of the “Inner Cabinet” and by conferences of high officials at the Foreign Office and War Department. The papers this morning report briefly that war between Germany and Russia is bound to have serious repercussions internally as well as on Japan's foreign policies and that, while the Japanese Government for the present will continue merely to await further developments, it may, if circumstances warrant, make an announcement in the near future for the purpose of clarifying its position.

⁹⁶ For correspondence on United States attitude respecting the German attack on the Soviet Union, see vol. I, under Union of Soviet Socialist Republics, section entitled “The Beginnings of Assistance From the United States for the Soviet Union After Its Invasion by Germany.”

2. The German Ambassador called yesterday evening on the Minister for Foreign Affairs to communicate officially to the Japanese Government the German declaration of war against Russia. The Foreign Office release states that the call lasted one hour, thus suggesting that the call was something more than *pro forma*.

3. [Here follows report on press reactions.]

4. The papers yesterday conducted surveys of the views of anonymous business leaders and publicists. Consensus would appear to be that yesterday's development in Europe does not call for any hasty decision on the part of Japan. The view is put forward that, whereas China can no longer count on help from Russia, American help to China will undoubtedly increase. Reference was also made to the termination of trade between Germany and Japan. Mention was also made with considerable emphasis of the need for Japan to go forward as quickly as possible with plans for the completion of the Japan-China-Manchukuo economic and industrial bloc.

Sent to the Department. Repeated to Moscow. Code text via air mail to Shanghai. Shanghai please repeat to Chungking.

GREW

740.0011 European War 1939/12378 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 23, 1941—8 p. m.
[Received June 23—6:40 p. m.]

869. 1. A colleague who enjoys intimate personal relations with a former Japanese Prime Minister this morning had an hour's talk with this elder statesman and pointed out to him that Mr. Matsuoka's policies had brought about the following situations: (a) Japan's hands are tied vis-à-vis Germany owing to the Tripartite Pact; (b) Japan's hands are tied vis-à-vis Soviet Russia owing to the neutrality pact; (c) negotiations with the Netherlands East Indies have failed to produce the desired results; (d) the China conflict is no nearer a settlement; (e) Japan's relations with the United States have steadily and materially worsened.

2. The Japanese statesman said that he entirely agreed and that in the course of a conference with the Government to which he expects shortly to be summoned he will charge the Foreign Minister with responsibility for this deplorable situation and may point out that when Germany signed the non-aggression pact with Soviet Russia subsequent to the conclusion of the Anti-Comintern Pact, the then Foreign Minister, Mr. Arita, had accepted responsibility and had resigned.

3. While insufficient time has yet elapsed since Germany's declaration of war against Soviet Russia to appraise the repercussions and eventual effect in Japan, my colleague received the impression that his friend considers the fall of the Cabinet not impossible.

Sent to the Department, repeated to Moscow. Code text via air mail to Shanghai. Shanghai please repeat to Chungking.

GREW

894.00/1091

*Memorandum by Mr. William R. Langdon of the Division of Far Eastern Affairs*⁹⁷

[WASHINGTON,] June 23, 1941.

GERMANY'S ATTACK ON THE SOVIET UNION: JAPAN'S REACTION

A press report from Tokyo yesterday said that the Cabinet had gone into extraordinary session to discuss the new situation created by Germany's attack on Russia. We may assume, on the basis that Japanese policy has been predatory and opportunistic in recent years, that one of the questions occupying the mind of the Cabinet is what advantage might be taken of the new situation regardless of the recent Matsuoka-Stalin neutrality pact, specifically whether or not Japan should grab off Siberia east of Baikal.

It is believed that the military aspect of the situation will cause Japan to hesitate invading Siberia. An autonomous army, steadily strengthened and enlarged since 1931, is stationed in the Soviet Far East. We have heard for years that it has been laying up supplies of all kinds and we know that it has facilities at Habarovsk, Chita and other Far Eastern centers for maintenance and a certain degree of replenishment of war materials. For example, a traveler east of Baikal, as long ago as 1938, noted at least two large airdrome-plane repair plants from the train window. There is no doubt that this army has by now reached very large proportions, too large to be transported in time to the western front over the rickety trans-Siberian Railway system. Thus, the Soviet Far Eastern army must be left behind or moved west very slowly. It must also be remembered that there is a Soviet Maginot Line of sorts along the eastern and northern Manchurian frontier.

Were Japan's full military force available for invasion, no doubt the Soviet Far Eastern army could be disposed of. But this is not the case, and the Japanese forces which might be free for a Siberian

⁹⁷ See also memorandum of June 23 by the Chief of the Division (Hamilton), p. 276.

campaign are believed inadequate to overcome the Red army's resistance. Moreover, the Japanese have acquired a wholesome respect of Russian artillery, tanks, and to a lesser degree planes from their 1938 Changkufeng and 1939 Nomonhan encounters with the Red army and are not likely to tackle them again with the shoe-string forces available.

In estimating Japan's probable course we must not take it for granted that the Japanese people at the present moment are only and constantly thinking of war and bigger and better adventures. We must bear in mind the war weariness of the Japanese at home and their growing discomforts and shortages. The latter, in respect to war materials and facilities for reproducing them, especially mechanized equipment, can only become more acute with our own export controls and with the cutting off of transportation with Germany, and we can only expect from now on a deterioration of Japanese defense industries. Other deterrents to invasion of Siberia besides the initial resistance of the Red army, which the Japanese would expect to be at least as stiff as at Changkufeng and Nomonhan, would be the possibility of (1) a dreaded winter campaign in Siberia, (2) bombing of Japanese cities and Hsinking⁸⁸ from Vladivostok and other points, (3) the organization and rearming of Chinese guerillas in Manchuria and possibly Korean malcontents, and (4), even if the initial campaign should be successful, repetitions of the Nikolaievsk "massacre" and Red "partisan" murders of Japanese of 1918-1922, still fresh in the minds of the Japanese people.

894.00/1091

*Memorandum by Mr. Max W. Schmidt of the Division of Far Eastern Affairs*⁸⁹

[WASHINGTON,] June 24, 1941.

THE EFFECTS ON JAPAN OF THE PRESENT WAR BETWEEN GERMANY AND RUSSIA

1. The most immediately apparent effect of the declaration of war between Germany and Russia is the closing, for the present, of direct transportation routes between Germany and Japan and the stopping of shipments of goods and travel via Russia between Japan and Germany. Existing economic and political relations between the two countries are such as apparently to make it desirable to both Germany and Japan that transportation and travel routes between the

⁸⁸ Capital of "Manchoukuo."

⁸⁹ Initialed by the Chief of the Division (Hamilton).

Far East and Europe be reestablished as soon as possible. Those circles in Japan, however, which desire that Japan's ties with the Axis be weakened, probably look with equanimity upon the severance of physical connection with Germany.

2. It is believed that the immediate reaction of the Japanese people by and large will be one of confusion, giving rise to considerable uncertainty, even in highly placed circles, of the most desirable course to follow. Pro-Axis elements will attempt to foster the feeling that Germany is now actually and directly aiding Japan by attacking and weakening Japan's traditional enemy, Russia. This view will probably receive rather wide acceptance. The "golden opportunity" arguments will be subjects of further polishing by Japanese pro-Axis orators. At the same time, large numbers of Japanese will find considerable difficulty in adjusting their minds to the continuing rapid changes in German political tactics (Matsuoka's conclusion recently of the Neutrality Pact with Russia adds to the confusing series of the anti-Comintern pact, 1936, the German non-aggression pact with Russia, 1939, the Tripartite Pact, 1940, and now the German declaration of war on Russia). Hitler and the German cause will most likely be lowered morally in the eyes of many Japanese, especially in the eyes of such men as Baron Hiranuma and his associates. There should be readily apparent to many Japanese leaders the probability that a German success against Russia, if achieved and stabilized, would in the long run turn Russia in the direction of Asia to the detriment of Japan.

3. The Japanese people and leaders cannot be expected to forget what they have for many years considered as the Russian dagger pointed at the heart of Japan. Providing that an attack on Russia should be deemed to be militarily feasible, many Japanese would regard such an attack at this time as presenting an opportunity to remove the threat to Japan from the maritime provinces and to settle such perpetually troublesome problems as the maritime fisheries, concessions in northern Sakhalin, border disputes stretching from Mongolia across Sakhalin, Russian aid to China, Russian tutelage of Chinese communists, et cetera. The desirability of removing the military and ideological danger of Russia is well-known to and appreciated by Japanese of all classes. An attack by Japan on Russia might further confuse thinking in the United States and might be in Germany's opinion highly desirable so far as that attack would not interfere with Germany's probable ultimate objective for eventual control of the Far East through offsetting Russia, China and Japan, one against the other. Should Germany experience difficulty in speedily settling its war with Russia, it is believed possible that Hitler might encourage Japan's natural inclination to attack Far Eastern Russia.

4. If Japan can assure itself that Russia is no immediate threat (possibly through knowledge of Russian large-scale transfer of troops and equipment or of such aggressive weapons as bombing planes from Siberia to the European front) and if Japan can further assure itself that no third country would be allowed or would be in a position to use Siberian bases against Japan, then Japan may decide "to go southward". It is likely that Hitler will urge the Japanese to continue to threaten the Netherlands East Indies, Singapore and the southwestern Pacific areas in order to continue tension between the United States and Japan. It is probable that Germany would prefer that there be no decisive action or definitive settlement in the Pacific until such time as Germany itself may be in a position directly to participate. However, in the event Germany shows considerable promise of advancing to Suez and/or the Persian Gulf (possibly with the benevolent neutrality of Turkey), Japan and Germany, if their present political relations continue to exist or are further strengthened, may find it highly desirable to attempt to establish connection between the Far East and Europe by sea. To accomplish this objective Japan would necessarily have to undertake its "advance to the south".

5. It is believed that should there develop in Japan following the declaration of war between Germany and Russia any real sentiment favoring further military undertakings, such sentiment is far more likely in the first instance to be in the direction of action against Russia than toward a reinforcement of whatever sentiment there may be in Japan at the moment favoring an attack against European possessions in the southwest Pacific. It is conceivable, however, that developments in the German-Russian war may be of such a character as subsequently to turn Japan's paramount attention southward.

894.00/1091

*Memorandum by the Chief of the Division of Far Eastern Affairs
(Hamilton) to the Under Secretary of State (Welles)*

[WASHINGTON,] June 24, 1941.

MR. WELLES: Herewith two memoranda prepared by officers of FE commenting upon probable Japanese reactions to the outbreak of war between Germany and Russia. The first memorandum, prepared by Mr. Schmidt,¹ and concurred in by the senior officers of FE, represents what I believe to be the most probable Japanese reactions. The second memorandum, prepared by Mr. Langdon,^{2a} a senior Japanese language officer who has just returned to the United States from some five years service at Mukden followed by a short assignment at the Tokyo

¹ Dated June 24, *supra*.

^{2a} Dated June 23, p. 981.

Embassy, sets forth factors which may operate to discourage embarkation by Japan upon a military attack upon Siberia. While I believe that the factors listed by Mr. Langdon warrant consideration, they represent in my opinion factors bearing only upon one side of the question.

The two memoranda contain tentative and preliminary expressions of view which, although they may be changed in the light of further analysis and further developments, I believe you will find of interest. The viewpoints expressed in both memoranda point to the probability that there is likely to ensue in Japan a period of uncertainty and of extreme difficulty in deciding upon a future course.²

M[AXWELL] M. H[AMILTON]

Copies to Mr. Hornbeck and Mr. Atherton.³

740.0011 European War 1939/12545 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

[Extract]

Moscow, June 26, 1941—4 p. m.
[Received June 27—9:40 a. m.]

1232. . . .

Tatekawa further told me that the Japanese Government is now in continuous session and that it will probably reach a decision within the next 48 hours on the subject of a declaration of war against the Soviet Union or neutrality. He expressed the opinion that it will decide to remain neutral and that it anticipated the collapse of the Soviet Government following the defeat of the Soviet armies by Germany whereupon it would exploit the situation in the Far East. He expressed the firm conviction that the Japanese people are opposed to embarking upon war with the Soviet Union and said that the Japanese Government would be guided accordingly. He added that his Government had already decided that Germany had been the aggressor and that consequently Japan was under no obligation as an ally of Germany to take part in the war.

At the close of our talk the Ambassador expressed the opinion that should the German Army reach Minsk and there be indication that the Soviet Government intended to leave Moscow the chiefs of missions should call on Molotov and inquire of him what provision the

² Notation by Mr. Welles: "Very interesting — S. W."

³ Ray Atherton, Acting Chief of the Division of European Affairs.

Soviet Government was making to take the Diplomatic Corps with it to the new seat of Government.

Speaking as a military man Tatekawa expressed the view that the Soviet Union would not necessarily be vanquished by the fall of Minsk or even the fall of Moscow provided it did not permit its major armies to be trapped through failure to withdraw them in ample time. He said that the break through at Vilna had come so soon he doubted it was now possible for the Soviet general staff to save the armies in the north unless they could make a stand in the neighborhood of Minsk for sufficient time to permit their orderly withdrawal.

STEINHARDT

740.0011 European War 1939/12546 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 26, 1941—8 p. m.
[Received June 27—11:42 a. m.]

886. Embassy's 868, June 23, 6 p. m.⁴

1. The Soviet Military Attaché this morning told a member of the staff that in reply to the Soviet Ambassador's inquiry on June 24, in regard to Japan's attitude in the Soviet-German war, Matsuoka had stated that the policy of his Government had not yet been formulated and that Japan's attitude would be in large measure influenced by an examination of the responsibility for the outbreak of war. Matsuoka went on to say that Japan's fundamental policy was association with the Axis and that the neutrality treaty with the Soviet Union was of secondary importance and that therefore it would be necessary for the Japanese Government to consider whether under the circumstances relations with the Soviet Union could be brought into conformity with Japan's fundamental policy.

2. An unusually well-informed Japanese remarked today to us that Japan's policy of cooperation with the Axis powers had been predicated on continued close association between Germany and Soviet Russia and that the breaking out of war between these two countries had destroyed the fundamental basis of Japan's pro-Axis policy. This statement, which I believe to be substantially true, will serve to put in true perspective the observations above reported of the Minister for Foreign Affairs to the Soviet Ambassador.

Sent to the Department. Repeated to Moscow.

GREW

⁴ Not printed; it reported a Soviet request that Japan define its attitude toward the Soviet-German war (740.0011 European War 1939/12331).

740.0011 European War 1939/12634a : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, June 27, 1941—2 p. m.

355. Press reports from Tokyo indicate uncertainty and misunderstanding in Japan in regard to the policy of the United States with reference to the outbreak of hostilities between Germany and Russia. For example, the War Minister is quoted as stating at a conference of munitions makers on June 24 that with the future attitude of the United States unpredictable, Japan is at the crossroads of her destiny, while the *Yomiuri* is reported to have expressed the fear that Great Britain and the United States may use Russian possessions as a military base, causing a crisis in Japan's national defense. Again, *Yomiuri* is credited with saying that American friendliness for Russia is due to an effort to gain a foothold against Japan, and the *Hochi* with finding a military menace in such friendliness.

You are authorized, in your discretion, in conversations which you may have with responsible Japanese, to say that the attitude of the United States in regard to the hostilities in Europe has been made abundantly clear on many occasions; that the purpose of this Government is to protect the security of the United States and of the Americas; that Hitler's armies are regarded as the chief threat to America; that therefore the fixed policy of this Government is to aid Great Britain and other nations which are resisting Hitler's armies in as much as such resistance contributes to our security; and that such opposition will be welcomed, from whatever source it may spring. Consequently, any measures which this Government may have in mind designed to aid Russia will have for their sole purpose the defense of the security of the United States and will offer no threat whatever to the security of nations not involved in the conflict on the side of Hitlerism.

WELLES

740.0011 European War 1939/12548 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, June 27, 1941—6 p. m.

[Received 11:10 p. m.]

891. Berlin's 2556, June 25, 4 p. m.⁵

1. The position here is still as reported in recent telegrams, namely, the press has excluded from publication any discussion or other indication of approval or disapproval with regard to the German attack on

⁵ Not printed.

Soviet Russia or with regard to alleged Soviet provocations, and elements within the Japanese Government which formulate national policy, such as the Cabinet and the High Command, continue to hold conferences. There is no reason to believe that decision on future policy has yet been taken. Therefore, any analysis which could be made at this time of the position which Japan may take in view of the new situation in Europe must of necessity be speculative. The German view of the Japanese reaction as reported in the telegram under reference, however, would appear to be so disingenuous as to require comment on the basis of our observations here.

2. The statement that the general Japanese reaction is one of full sympathy for Germany is wholly imaginative, as no indication of Japanese reaction has been permitted to appear, or at any rate has appeared, in the press. There is, of course, a large and strong element whose sensibilities have not been offended even by disclosure of Germany's calculated betrayal of Soviet Russia: an element which has been well entrenched at the Foreign Office as well as in the army and navy. Leaders of this group, including several retired admirals and generals, are reported to be making strong representations to the Government to adopt a policy of unequivocal support of Germany. Apart from the fact that Japanese privately express themselves as being shocked by the long calculated and callous attack by Germany on the nation whose cooperation alone made practicable Germany's decision to start the European war, the facts that such representations are thought to be necessary by the pro-German group and that the Government is continuing to examine the situation, are clear evidence that the German view of the Japanese reaction as being one of "full sympathy" for Germany is incorrect.

3. As the Department is aware, Wang Ching Wei's visits to Japan resulted from his dissatisfaction over Japan's neutrality treaty with Soviet Russia and Japan's efforts to conclude a working arrangement with Chinese Communists. As one of the ostensible reasons for Wang's flight from Chungking was Chiang Kai Shek's cooperation with the Communists and with Soviet Russia, the former was being placed in a logically difficult position by his associates, the Japanese, seeking collaboration with both the Chinese Communists and Soviet Russia. In our view the reference in the recent joint statement to combating communism, which we believe was inserted in the statement because of Wang's insistence, has significance the compass of which is restricted to the Far Eastern situation. That the Germans can find still wider significance in that reference is an interesting disclosure of failure thus far on the part of the Japanese Government to furnish Germany a more substantial basis for hope of Japanese collaboration against Soviet Russia. It must be evident that the present situation is one

which presents Japan with a unique opportunity to procure Soviet assistance to bring to an end the conflict with China, which remains as Japan's first preoccupation, as it is the cause and origin of the extremely dangerous position in which she now finds herself.

4. With regard to the question whether there should have been prior consultation with Japan before the attack on Soviet Russia, we do not believe that the final Japanese decision will be largely influenced by relevant stipulations or absence thereof in the treaty of alliance. From a legalistic point of view Japan could properly observe simultaneously the letter of that treaty and also of the neutrality treaty with Soviet Russia.

Indeed if Japan's position were to be decided purely on the basis of legal considerations such decision would not have required any delay. The fact is of course that Japan is again at the crossroads. She entered into an alliance with Germany on the basis of expectation that peace, if not close cooperation, would be maintained between Germany and Soviet Russia. The betrayal of that expectation has overturned one of the fundamental bases of Japan's adherence to the Axis.

5. To sum up, thus far there is no evidence that any decision on policy has been taken by the Japanese Government and there is no definite indication at this time of the trend of thought which will eventually prove dominant. It seems to us that, unless decision is taken to go "all out" on the side of Germany, a decision which would not seem to consort with the prevailing political atmosphere, a situation such as this, arising in considerable measure from failure on the part of the Japanese to read aright the German character, cannot be passed off without important internal adjustments. We would expect in such event that procedure would follow closely that taken when the Hiranuma Cabinet fell as a result of the German-Soviet nonaggression treaty, namely, that policy would first be formulated and that adjustments of personnel within the Government would be made along the lines best calculated to implement such policy.

Sent to the Department. Repeated to Berlin and Moscow.

GREW

740.0011 European War 1939/12623 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, June 30, 1941—8 p. m.

[Received June 30—10:05 a. m.]

904. I am informed orally that in the course of an interview granted yesterday by the Prime Minister to Mr. Neukeu [*Menken?*], representative of Paramount News Company, Prince Konoye stated that Japan would be able to reconcile the Tripartite Pact and the Neutral-

ity Treaty with Soviet Russia. He said further that while he foresaw a German victory and German domination of the western part of Soviet Russia, he did not expect that German influence would extend to the east and he thought that there might not be a collapse of the present Soviet regime. He is reported to have emphasized that Japan desired only friendly relations with the United States and that there was no reason for a conflict to arise between the two countries.⁷

The representatives of the Associated Press and United Press, who were informed of this interview, are of the opinion that in view of Prince Konoye's reported remarks it is improbable that the Japanese Government will issue any formal statement of policy in the near future.

Repeated to Moscow.

GREW

740.0011 European War 1939/12686a : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, June 30, 1941—6 p. m.

362. 1. A United Press report under Tokyo date line of June 29 appears in today's American papers in regard to comments made by Prime Minister Konoe in an interview on the morning of June 29 in his private residence.⁸ According to the press account, the Prime Minister asked that Americans make a vigorous effort to understand Japan's position, which he conceived to be that of a factor for peace and stability in East Asia, and he insisted that Japan was not a partner to any German plan for world conquest. This statement is not attributed to the Prime Minister as a direct quotation. Some direct quotations attributed to the Prime Minister are that "Japan is very anxious to maintain friendly relations with the United States and we see no reason why our two countries cannot remain friendly"; that "let me emphasize again that we are very anxious to maintain friendship for the United States. We consider that the German-Japanese alliance is designed to keep the United States from involvement in the European war"; and that "the Tripartite Pact has one chief purpose—of a defensive nature. I do hope that the people of the United States will understand its spirit as we envisage it. Let me repeat, again and again, that I can see no reason why the Japanese and American people cannot remain friendly". According to the press account, the Premier asserted that Japan's recent political relations with Germany all have been motivated by a desire to keep the European war away from the Far East. The Premier is reported to have said that

⁷ See also memorandum by Mr. Joseph W. Ballantine, June 30, p. 285.

⁸ See memorandum by Mr. Joseph W. Ballantine, June 30, p. 285.

the "defensive nature" of the Three Power Pact could not be too greatly stressed.

2. Please inform the Department urgently whether this reported interview has been given publicity in the Japanese press.⁹

3. Please also give the Department urgently your appraisal of the significance, if any, of the interview.

4. Your 904, June 30, 8 p. m., has just been received. The press account appearing here contains no reference to the statements made in the first two sentences of your telegram under reference.

WELLES

740.0011 European War 1939/12689 : Telegram

The Minister in Sweden (Sterling) to the Secretary of State

STOCKHOLM, July 1, 1941—2 p. m.

[Received 9:17 p. m.]

400. In speaking with Kollontay¹⁰ this morning she stated that there had been no change in Russian attitude toward assistance to China and she mentioned that whereas Turkey, Iran and other countries had announced their neutrality in Russo-German war China had proclaimed *friendly* neutrality.

She believed that fighting was going on as planned; Red Army strategy was a slow retirement, while inflicting as great losses as possible on German troops, to 1939 frontiers of Russia which were strongly fortified and where a great stand would be made.

With regard to Soviet-Japanese relations, she told me confidentially that no Russian troops had been removed from Manchurian frontier since signing of Matsuoka-Molotov agreement.

STERLING

740.0011 European War 1939/12731 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 2, 1941—7 p. m.

[Received 8 p. m.]

924. Embassy's 916, July 2, noon.¹¹

1. A bulletin just issued states briefly that a conference of high officials was held this morning in the presence of the Emperor and that decision on important national policies was reached. There has still been no indication of the direction in which the majority opinion

⁹ The Ambassador in Japan replied in telegram No. 916, July 2, noon, that the interview was not mentioned in the local press (740.0011 European War 1939/12687).

¹⁰ Mme. Alexandra Kollontay, Soviet Minister in Sweden.

¹¹ See footnote 9, above.

was tending prior to the taking of the decision above-mentioned, and there is available therefore practically no conclusive material on which to base any definitive estimate of the significance of the interview which the Prime Minister gave Menken.¹² Any such appraisal would necessarily be an attempt to predict the policy which has been in process of formulation during the past 10 days, and we can only emphasize that any such attempt would be at this time wholly speculative. There are, however, a few straws in the wind.

2. The first of these is the striking dissimilarity in tone and content between the statements and views attributed to the Prime Minister by Menken and the statement issued by the Prime Minister on October 4 last year (Embassy's 946, October 5, 5 p. m., 1940¹³). It would seem to us that Prince Konoye's present plea for American friendship and for understanding by the United States of Japan's position, his reference to Japan not being party to any German plan for world conquest and his alluding to the three-power alliance as an instrument for defense, are all a far cry from the pugnacious and menacing character of his statement of last year (it is being freely admitted by Japanese that the earlier statement was a "bad mistake" and that it had been suggested by Mr. Matsuoka as a part of his "diplomacy by menaces"). A few days ago the Prime Minister asked a close Japanese friend of mine whether I was fully aware of his strong desire to improve Japan's relations with the United States. He had previously spoken most confidentially to another reliable Japanese contact of the prospect of adjusting American-Japanese relations. So far as the Prime Minister, along with some of his close associates who are themselves persons of considerable consequence, is concerned we can, I think, accept the statements which he made in his interview as reflective of his strong desire, if not determination, to avoid conflict with the United States.

3. To us perhaps the most significant observation attributed to Prince Konoye is his statement that the principal purpose of the triple alliance is defensive. It will be recalled that the position which Mr. Matsuoka took with me and with several of my colleagues after his return from Moscow was in effect that, except in the case of Germany's attempt to invade the United States, outbreak of war between the United States and Germany would probably result in Japan's involve-

¹² The Department's telegram No. 382, July 10, 2 p. m., advised the Ambassador in Japan as follows: "From what we have been told by the Japanese here we gather that the interview in question was designed specifically and deliberately to meet intimations given by us to those Japanese that it would be helpful for the Japanese Government to give some clearer indication than it has yet given of the desire of that Government to pursue peaceful courses."

¹³ *Foreign Relations*, 1940, vol. 1, in section entitled "Relations of Japan With the Axis Powers and With the Soviet Union."

ment in the war on the side of Germany. Through various contacts we brought to the attention of the Prime Minister and his associates the interpretation being placed by Mr. Matsuoka on Japan's obligations as defined under the alliance treaty. We pointed out that if Mr. Matsuoka's interpretation was in fact that of the Japanese Government the enlargement of Japan's obligation beyond that stipulated in the treaty itself converted an alliance which might perhaps plausibly be characterized as defensive into an offensive alliance. We further communicated the view that it was difficult to see how an offensive alliance could be reconciled with the characterization of the treaty by the Imperial rescript¹⁴ (issued when the treaty was concluded) as an instrumentality for peace (I am inclined to construe Prince Konoye's observation under reference as a fairly open assurance that Mr. Matsuoka's interpretation of Japan's treaty obligation to assist their allies has not been accepted by the Cabinet as a whole []).

4. As some clarification of Japan's position will presumably be forthcoming shortly, I am reluctant to indulge in prophecy. We have been impressed by the frequency with which Japanese contacts have been referring, ever since the outbreak of the Soviet-German war, to the wisdom of Japan's steady and progressive withdrawal, instituted with Japan's withdrawal from the League of Nations, from involvement in the affairs of Europe. Although I consider it highly unlikely that Japan will denounce or otherwise formally terminate her alliance with Germany, the almost universally expressed desire for noninvolvement in the European war, as well as Prince Konoye's statement to Menken that Japan's recent political relations with Germany have been motivated by desire to keep the European war away from the Far East, strongly suggests that the decision which is reported to have been taken today by the Imperial Conference will be of such a nature as to restrict and not enlarge the chances of conflict with the United States as a result of new Japanese initiatives.

5. With regard to paragraph numbered 4 of the Department's 362, June 30, 6 p. m., a copy of Menken's despatch obtained yesterday indicates that the following statements attributed to the Prime Minister were deleted by the censor: "Declaring Japan's intention 'adhere to all her treaties'—both toward Germany, Russia—Konoye opined Germans may win on Russia's western front but unbelieved Russia will collapse or come under rule new regime other than Stalin's [apparent omission] Konoye said unbelieved German offensive anti-Russia result establishment Germans on Pacific through Russia."

GREW

¹⁴ See telegram No. 911, September 27, 1940, midnight, from the Ambassador in Japan, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 168.

740.0011 European War 1939/12815 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, July 4, 1941—2 p. m.

[Received July 4—11:10 a. m.]

274. During courtesy call at Embassy today Generalissimo Chiang told me an attack by Japan on Siberia is certain. He stated Japan will denounce neutrality pact with Russia and simultaneously or shortly thereafter attack in Siberia. He stated his source of information is very reliable and suggested I inform my Government.

GAUSS

740.0011 European War 1939/12850a : Telegram

*The Acting Secretary of State to the Ambassador in Japan (Grew)*¹⁶

WASHINGTON, July 4, 1941—3 p. m.

372. For the Ambassador and the Counselor only. Please communicate to the Prime Minister as under instruction a message sent by the Secretary of State at the specific request of the President substantially as follows:

The Government of the United States is receiving reports from a variety of sources to the effect that the Government of Japan has decided to embark upon hostilities against the Soviet Union. As the Government of Japan is aware, the Government of the United States has earnestly desired to see peace maintained and preserved in the Pacific area and has done its utmost to contribute to achievement of this high end. Utterances by responsible Japanese officials, especially statements communicated to the Secretary of State by the Japanese Ambassador at Washington in recent months during the course of conversations between them, have furnished the Government of the United States hope that the Government of Japan also desired to maintain and preserve peace in the Pacific area. Those utterances and statements have been so utterly contrary to the reports that this Government is now receiving as to make it very difficult for this Government to give credence to the reports. It goes without saying that embarkation by Japan upon a course of military aggression and conquest would render illusory the hope which this Government has cherished and which it understood the Government of Japan shared that the peace of the Pacific might not be further upset and might indeed be strengthened and be made more secure. The Government of the United States earnestly hopes that the reports under reference are not based on fact and the Government of the United States would deeply appreciate an assurance from the Prime Minister of Japan to that effect.

¹⁶Approved by President Roosevelt on July 3 at 3:30 p. m.

When you have communicated the foregoing message to the Prime Minister, please inform me immediately of that fact by telegraph.¹⁷

WELLES

740.0011 European War 1939/12828 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, July 4, 1941—10 p. m.
[Received July 4—1:30 p. m.]

930. The Soviet Ambassador came to the Embassy today by appointment to express his felicitations on Independence Day. He said that in his recent talk with the Foreign Minister, Mr. Matsuoka had stated that Japan is in a very delicate and difficult position; that there would be no alteration in Japan's policy for the present but that if circumstances should change, Japan's policy might also change. According to the Ambassador, the Minister for Foreign Affairs made no allusion to the Japanese-Soviet neutrality treaty except that he "remembered it." The Ambassador characterized Mr. Matsuoka's foregoing statement as "very strange."

It is understood that the ladies of the Soviet Embassy are leaving for Russia tomorrow.

Repeated to Moscow.

GREW

740.0011 European War 1939/12820 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

Paris, July 5, 1941—10 a. m.
[Received 1:55 p. m.]

808. Embassy's telegram 802, July 3, 4 p. m.¹⁸ Ostrorog^{18a} informs us that a telegram has now been received from Arsene-Henry indicating that probably a decision was reached at the recent Imperial Council meeting in Tokyo in favor of a move against Russia. The so-called northern party seems to have "won out," according to Henry, and has been strongly supported by German influence at Tokyo. The German motives he reported are threefold: first, for obvious military

¹⁷ The Ambassador in Japan, in telegram No. 939, July 6, noon, reported he had transmitted the message for the Japanese Prime Minister that morning, and that he expected "to receive his reply shortly, probably today." (740.0011 European War 1939/12851) For Mr. Grew's statement as handed to Prince Konoye's private secretary, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 502.

¹⁸ Vol. V, p. 522.

^{18a} Stanislas Ostrorog, of the French Foreign Office.

reasons, to create further difficulties for Russia; second, in the hope of bringing about a clash between the United States and Japan; and third, because Germany has no desire to see the Japanese move south toward the Dutch East Indies, an area with respect to which the Nazis have aspirations of their own. Ostrorog remarked that obviously Germany "did not recognize the Nanking regime for nothing" and some commitment for a move against Russia may well have been obtained from Japan.

LEAHY

740.0011 European War 1939/12862 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 5, 1941—7 p. m.
[Received July 7—6:05 a. m.]

933. The following is the substance of a telegram sent to London by my British colleague July 4:

"I called on Minister for Foreign Affairs today and observed that after reading his statement regarding the German-Soviet war with close attention, I had been struck by the absence of any repudiation of the recently concluded Neutrality Pact with Soviet Russia, which I had imagined would be the governing factor in the situation. His Excellency replied that it had always been made clear that just as the position of Soviet Russia was unaffected by the Tripartite Pact, so the position of Japan under that pact was the same as [under?] the Neutrality Treaty. He had explained this situation in his first broadcast statement to the Japanese people after his return from the U. S. S. R., and he had recently repeated this view to the Soviet Ambassador, who had telegraphed it to his Government. The fact that the Soviet Government had objected neither at the time of the broadcast address, nor on the occasion of his interview with the Russian representatives, indicated their acceptance of this view of the situation. The Tripartite Pact imposed on Japan no obligation to enter this war on Germany's side. Similarly, Japan would not be prevented by the Neutrality Pact from taking any action arising out of this war which the preservation of Japanese interests might demand. Thus Japan's liberty of action in respect of the situation created by the German-Soviet war remained unaffected, whether by the Tripartite Pact or the Neutrality Pact.

2. However, Minister for Foreign Affairs continued, it would be wrong to look on the Pact merely as a legal document [for?] one must also bear in mind [the cordial?] and close community of interests between the Allies which had resulted from it. He could best describe the objectives of Japan's policy under the following three heads: (1) maintenance of Japan's position and interests in East Asia; (2) avoidance of anything calculated to disturb the mutual confidence and understanding existing between Japan [and?] her allies; (the continu-

ance of efforts to improve relations with the U. S. S. R. to permit the pursuit of objective); (3) it would be necessary for the Soviet Government carefully to avoid any action which, by embarrassing Japan's relations with her allies might imperil the strict observance of point (2) above; rightly or wrongly, Japan's whole foreign policy now revolved around the tripartite alliance. He had asked the Soviet Ambassador to make all this clear to his Government, and the latter would no doubt confirm what had passed between them.

3. I confessed that His Excellency's interpretation of the Neutrality Pact came as a surprise to me; but it was at least satisfactory to note His Excellency's confirmation of my supposition that the Japanese Government did not consider themselves under any obligation to intervene under the Tripartite Pact. Japan's position is, as far as one could see at present, almost unique among the great powers, in that it is advisable if she wished to avoid involvement in the European conflict and impairment of her vital interests I felt sure that His Excellency would do everything in his power to avert from his country the horrors of modern warfare on a vast scale. Minister for Foreign Affairs replied that he was fully conscious of the great responsibility which weighed upon him and the Japanese Government in the extremely delicate situation which had now developed; it was a moment at which all parties concerned with peace in the Pacific must be careful to avoid even the slightest false step and must maintain as calm and objective an outlook as possible.[""]

Sent to the Department via Shanghai.

GREW

740.0011 European War 1939/12861 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, July 6, 1941—8 p. m.

[Received 11:20 p. m.]

943. For the Acting Secretary. Department's 372, July 4, 3 p. m.

1. I immediately sent by safe hand last evening a strictly private letter to the Prime Minister at his private residence in the country requesting an appointment for the purpose stated.

2. Early this morning the Prime Minister's private secretary came to the Embassy and said that while the Prime Minister would be very glad to see me he feared inevitable publicity if I were to come to him. He suggested our meeting at a golf course but pointed out that all courses would be crowded today, Sunday, and that tomorrow his entire time would be occupied with ceremonial meetings in connection with the anniversary of the outbreak of the "China affair." He therefore suggested that we meet at golf on Tuesday or Wednesday next. I replied that the matter was too important for delay but that I would

entrust the substance of the message to the private secretary (who is favorably known to me as worthy of confidence) to communicate to the Prime Minister and to bring me Prince Konoye's reply today.

3. Mr. Ushiba, after having conferred with his chief, returned to the Embassy at 6 o'clock this evening and communicated Prince Konoye's reply as follows:

"Tokyo, July 6, 1941. My dear Ambassador, May I express my sincere thanks for your courtesy of communicating to me the message sent by the Secretary of State at the specific request of the President of the United States. My answer to it will be given by the Foreign Minister as soon as possible after he has returned from Gotemba. Yours sincerely, P. Konoye."

4. Mr. Ushiba expressed his regret at the incomplete nature of the Prince Konoye's reply to the Secretary's message but explained that in Japan there was no precedent for a Prime Minister to treat directly with foreign Ambassadors in matters concerning foreign affairs. I politely, but emphatically, requested Mr. Ushiba to point out to the Prime Minister, as from me, that it would be erroneous to assume that my *démarche* had been taken for the purpose of going over the head of the Minister for Foreign Affairs and that the procedure adopted was closely in line with the conversations which the Japanese Ambassador in Washington had held directly with the President of the United States who had informed Admiral Nomura that he would always be happy to confer with him. I left Mr. Ushiba in no doubt as to my regret that the Prime Minister had not felt able to reply to the message directly. Mr. Ushiba said that the Prime Minister had endeavored to get into immediate touch with the Foreign Minister today but had failed to do so. He expected Mr. Matsuoka to return to Tokyo tomorrow and would request him to make an appointment with me. I urged that the appointment be made not later than tomorrow in view of the urgency of the matter under reference.

6. [*sic*] I do not interpret the Prime Minister's reply as in any respect in the nature of an intentional rebuff. Tradition and precedent in Japan are strong. I however advance the thought that the Secretary's message sent at the specific request of the President may well give rise to reopened debates within the Japanese Government as to the course which may have been marked out in the recent Imperial Conference, provided that such course envisages an attack on Soviet Russia in the near future, and that the Prime Minister's letter may represent this desire to play for time in replying to the American Government. This thought is, however, pure speculation.

740.0011 European War 1939/12860 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 6, 1941—9 p. m.
[Received July 7—3:31 a. m.]

944. (NOTE: The following telegram was drafted Saturday afternoon,¹⁹ but was held up pending certain developments of which the Department is aware. There is available to us here no trustworthy information which would make necessary substantial revision of this telegram.)

1. I feel that there is now available sufficient material to warrant my placing before the Department an appraisal (which, although still somewhat speculative, will indicate the general trend of my views) of the policy and attitude of the Japanese Government as reformulated by the decision of the Imperial Conference on July 2.

2. The 10 days of deliberations and conferences between groups and elements which formulate policy were among the many signs that the German attack on Soviet Russia produced on this country a serious disturbance, if not an internal crisis. The deliberations are said to have [boiled?] down to a conflict between Baron Hiranuma, representing the moderate school of thought, and Mr. Matsuoka, and they have been accompanied by rumors of the most sensational character, one being that Baron Hiranuma as Home Minister threatened to cause the arrest of several extremist politicians but was informed that if he should attempt to do so he would be assassinated and that he desisted. Whether or not these rumors are true, they are probably reflective of a sharp cleavage of opinion among the nation's leaders. In the absence of unanimity or of a clearly dominant school of thought, we can say with some degree of assurance that the pursuit by Japan of a positive and dynamic policy creating new commitments and involvements would be unlikely.

3. Although Japan derived considerable self-satisfaction from securing a place among the great powers in the process of settling the first World War, the fact that she had become deeply involved in the problems of Europe, in which she did not have vital concern, was not fully appreciated until the Manchurian conflict came before the League of Nations. It will be recalled that Japan, following her withdrawal from the League in 1933, announced that she would proceed to liquidate her European commitments and would confine herself to the Far East. That policy, then labelled "free and independent policy," was officially confirmed immediately after the outbreak of the present War. Thus,

¹⁹ July 5.

the conclusion of the Axis alliance, again involving Japan in the affairs of Europe, was a sharp reversal of a policy which had been pursued with some show of determination for 8 years; and for some months before the outbreak of the German-Soviet war there had been increasing realization that Japan, by allying herself with Germany and Italy, had assumed certain risks which had not been demonstrated to be unavoidable.

4. As pointed out in several of our recent telegrams, German concepts with regard to the relations between the German bloc and the Japanese bloc, especially the secondary place which the latter was to take in the new scheme of things and German desires for a privileged position in China notwithstanding the "new order in East Asia" had begun to raise doubts in the Japanese mind whether all would be well for Japan in the event of a German victory and whether after all full confidence could be placed on German promises. I hear that one of the points which has been repeatedly brought up for Matsuoka to answer is whether he could clear Germany of bad faith toward Japan in connection with the German attack on Russia. It is understood that the references to the German statement issued simultaneously with the attack on Russia to the intention of Germany, when concluding the nonaggression pact, not to be bound by that pact, and to the advice which was alleged to have been given Mr. Matsuoka while he was in Berlin (when plans were actually being laid to attack Russia) to conclude a pact with Russia and so improve Soviet-Japanese relations, have been repeatedly cited, with Mr. Matsuoka being repeatedly challenged to refute this German evidence of deliberate deception of Japan. While there would be no warrant for saying that Japanese confidence in German good faith has collapsed, I would not say that it is today sufficiently robust to form the basis of new Japanese initiatives calculated to serve German interests more closely than Japan's own interests.

5. We believe that it would not have been possible to reformulate Japanese policy in the light of the Soviet-German war without regard to the above discussed three factors, namely, lack of united opinion, desire to restrict as far as consonant with accepted engagements the risks of involvement in the European war, and decreasing confidence in German good faith.

6. We have heard it stated with some confidence by certain foreign observers here that the policy alleged to have been adopted at the recent Imperial conference is to await the results or at least the trend of the German-Soviet conflict before considering a possible eventual attack on the maritime provinces and in the meantime to push the southward advance. The reported plan is, however, to proceed with

the southward advance gradually and step by step in order to avoid an open clash with the United States, the first step in the program to be aimed at Indochina and the acquisition of air and military bases on Camranh Bay and elsewhere. It is also stated that the decision to proceed with the southward advance is to be actually aimed against the Axis with the thought that Japan must consolidate her position to the southward before Germany attains full victory in the war and is in a position to interfere with Japanese ambitions.

7. The best information available here is that the Germans are not pressing Japan to intervene against Soviet Russia but that they are anxious that Japan should engage in activities which would divert the attention of the United States to some extent away from Europe. The plan above described which has been attributed to the Imperial Conference would seem to fit in fairly well with reported German desires; and we think it not unlikely that what has been described as a plan on the part of the Japanese is either a German suggestion or an attempt to rationalize and put into concrete form such German desires.

8. So far as we can see, the "momentous decision" reported to have been taken by the Imperial Conference has many of the earmarks of a decision to adopt an attitude of watchful waiting, possibly for the disintegration of the Soviet Union. Indeed all the material now available would seem to support that appraisal—the statement of the Prime Minister to an American correspondent that Japan would honor its treaties with both Germany and Soviet Russia, the statement (already reported to the Department ²⁰) of the Foreign Minister to the Soviet Ambassador, and the statement on July 4 of the Foreign Minister to my British colleague,²¹ whose report is being separately telegraphed to the Department. With reference to the last statement, I might say that normally an exposition by a Foreign Minister of his country's policies and attitude so clear in most respects as that given by Mr. Matsuoka to Sir Robert would require little commentary, but the impression that he sought to convey—that mutual confidence and understanding between the members of the Axis alliance remains unimpaired and that unanimity of opinion prevails in this country—conflicts so palpably with the truth that his exposition needs to be treated with reserve. I hope that it will be read in the light of the present report.

Sent to the Department. Repeated to Moscow. Code text via air mail to Peiping and to Shanghai for Chungking.

GREW

²⁰ See telegram No. 930, July 4, 10 p. m., from the Ambassador in Japan, p. 995.

²¹ See telegram No. 933, July 5, 7 p. m., from the Ambassador in Japan, p. 996.

740.0011 European War 1939/12902 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 8, 1941—4 p. m.

[Received July 8—12:40 p. m.]

953. For the Acting Secretary only. My 943, July 6, 8 p. m.

1. The Minister for Foreign Affairs asked me to call this afternoon and handed me in strict confidence a Japanese text accompanied by a strictly confidential unofficial English translation hereof embodying a "message in reply sent by His Imperial Majesty's Foreign Minister at the request of the Prime Minister for delivery to the President of the United States of America, dated July 7, Showa 16".²² (See Embassy's 954, July 8, 5 p. m.²³)

2. At the same time the Minister handed to me in strict confidence a Japanese text accompanied by a strictly confidential unofficial English translation of the oral statement handed by the Minister for Foreign Affairs to the Soviet Ambassador in Tokyo on July 2, 1941.²⁴ (See Embassy's 955, July 8, 6 p. m.²³)

3. Having read the Minister's message I said that I was in a position to advance pertinent comment on the final paragraph of the Japanese message and it [I] hereupon conveyed orally to Mr. Matsuoka the substance of Department's telegram No. 355, June 27, 2 p. m. I particularly emphasized the first sentence of the second paragraph of that telegram and dwelt at some length on the policy of the United States in that connection. The Minister replied to the effect that reports reaching Japan have convinced the Japanese people that the United States is determined to intervene in the European conflict and that this conviction has caused widespread anxiety in view of Japan's obligations to her allies in the Tripartite Pact.

4. I then asked the Minister what sort of "future developments" he had in mind which would largely determine Japan's future policy toward Soviet Russia as set forth in the final sentence of his oral statement of July 2 to the Soviet Ambassador. The Minister replied that he had in mind a good many possible developments among which he might mention as illustrations: the altered situation which would be created if Soviet Russia should form an alliance with Great Britain or if the United States should attempt to send considerable quantities of war supplies to Soviet Russia through Vladivostok to be used against Germany, Japan's ally. He said that there are powerful elements in Japan who are trying to force him into hostilities against Soviet Russia and that if these elements and the Japanese people should become aware of the conveyance of such American supplies great

²² *Foreign Relations, Japan, 1931-1941*, vol. II, p. 503.

²³ Not printed.

²⁴ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 504.

provocation would be created which would strengthen the hand of those extremists and would render his own position and his own sincere efforts to preserve peace even more difficult than they are at present.

5. Mr. Matsuoka especially asked me to convey to you the fact that neither the Soviet Ambassador in Tokyo nor the Soviet Government had raised any question or objection in connection with the public statement which he, Mr. Matsuoka, had issued on returning from Europe (please see Embassy's 588, April 22, 7 p. m.²⁵). He also said that he had recently appealed both to Stalin and Molotov to cooperate with him by endeavoring not to render more difficult the extremely difficult path which he is now treading.

6. The Minister said that he had recently met the Soviet Ambassador at the railway station in Berlin [*sic*] when the latter was saying good-bye to his wife and other ladies of the Soviet Embassy who were about to return to Russia. He said to the Ambassador that the ladies of the Japanese Embassy in Moscow had left that capital in order to avoid the dangers of possible bombing by the German Army but that no such dangers existed in Tokyo and there was no good reason whatever for the Soviet ladies to leave. The Minister said that the Soviet ladies had, therefore, abandoned their plans for departure.

7. The Minister said that in these difficult times we must all of us guard against the often baseless rumors which are floating around in every country and when I mentioned the reports published in various Japanese papers such as the *Yomiuri*, the *Hochi*, etc., Mr. Matsuoka shrugged his shoulders and said that he never read newspapers of that nature.

8. In the light of the Minister's written and oral statements I find it very difficult to believe that the Japanese Government has decided at this time to embark on hostilities against the Soviet Union.

GREW

740.0011 European War 1939/12938: Telegram

*The Ambassador in the Soviet Union (Steinhardt) to the
Secretary of State*

Moscow, July 8, 1941—6 p. m.

[Received 10:40 p. m.]

1320. 1. The Japanese Ambassador who called this morning described the present Japanese attitude toward the Soviet-German war as "wait and see" adding that Matsuoka was not only perturbed by but actually angry at the German attack on Russia as it had "disrupted all his plans". He said that were it not for the fear that the Government would fall and "Matsuoka lose his job" there was sufficient feeling

²⁵ Not printed.

in Japanese circles to cause Matsuoka to propose Japan's withdrawal from the Axis. He pointed out that while Japan had considerable forces in Manchukuo they were only sufficient for defensive and not offensive purposes and that in his opinion the only development that could save Matsuoka's position was the disintegration of the Soviet Union from which Japan could profit without conducting a major war.

[Here follows a report of the views of the Japanese Ambassador, General Tatekawa, on the military campaign of the war between Germany and the Soviet Union.]

STEINHARDT

*Telegram From Generalissimo Chiang Kai-shek, Dated
July 8, 1941*²⁶

From most reliable sources originating from Japan it is learned that a secret agreement has been concluded and signed between Germany, Italy and Japan on the 6th of July, covering on the one hand recognition of Japanese spheres of interest, and on the other Japanese undertaking to advance southward and against Siberia. Please communicate the news to the President immediately.

Since the outbreak of the Soviet-German war, the Soviets have repeatedly announced their desire to conclude definite military arrangements with us against Japan. Will you ask the President if he would be in favor of such an arrangement, and if the situation is ripening for a military pact between China, Russia and Great Britain with the friendly support of the United States.

740.0011 European War 1939/12903 : Telegram

*The Acting Secretary of State to the Ambassador in Japan (Grew)*²⁷

WASHINGTON, July 10, 1941—5 p. m.

384. For the Ambassador and the Counselor only. Your 954, July 8, 5 p. m., last sentence.²⁸

We approve the comments you made as reported in paragraph numbered 3 of your 953, July 8, 4 p. m., and desire that you inform the Minister for Foreign Affairs that those comments have your Government's thorough concurrence and approval. In so doing please also in your discretion mention the points set forth in the Department's

²⁶ Received in the Department on July 10. Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

²⁷ Approved by President Roosevelt on July 10.

²⁸ Telegram not printed; see last sentence of statement handed the Ambassador in Japan by the Japanese Minister for Foreign Affairs on July 8, *Foreign Relations, Japan, 1931-1941*, vol. II, pp. 503, 504.

telegrams to Tokyo no. 280, May 17, 6 p. m., and no. 312, June 6, 6 p. m.,²⁹ and state that the self-defense policy of the United States and the protective measures which may be adopted pursuant to and for the purpose of carrying out that policy will necessarily be shaped by the acts of aggression taken or likely to be taken by aggressor nations. You might indicate that, this being so, information from Hitler as to his future contemplated steps of aggression would assist the Japanese Government in forming an estimate as to what steps of self-defense the United States may be forced to take in order to protect its own security. Your communication to the Minister for Foreign Affairs should be an oral one.

WELLES

740.0011 European War 1939/13121a : Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, July 11, 1941—11 a. m.

386. We have received further information from a high authority of a foreign government³⁰ to the effect that, according to reliable and most confidential reports reaching his Government, Germany, Italy and Japan several days ago entered into a secret agreement whereunder Germany and Italy recognized the special position in the Far East which Japan claims for herself and in return Japan agreed to take action against French Indochina and Thailand and later to attack the Soviet Union. A further such report from the same source was to the effect that Japan's moves southward and northward as described above would be carried out simultaneously.³¹

WELLES

Mr. Lauchlin Currie^{31a} to President Roosevelt³²

WASHINGTON, July 11, 1941.

Re: Reply to Chiang Kai-shek's message.

In accordance with your instructions, I discussed this matter with Mr. Welles. He suggests that you authorize me to convey the following message to T. V. Soong:

In answer to the Generalissimo's enquiry as to whether the President would be in favor of definite military arrangements between the Soviet and Chinese Governments, the President has authorized me to inform

²⁹ *Ante*, pp. 201 and 254.

³⁰ See telegram from Generalissimo Chiang Kai-shek, p. 1004.

³¹ See also memorandum by the Acting Secretary of State, July 10, p. 300.

^{31a} Administrative Assistant to President Roosevelt.

³² Photostatic copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y. Notation in ink by President Roosevelt: "L. C. OK FDR"

you that the United States Government, not being a party to the agreement, cannot take responsibility for it. However, the President added that he was of the opinion that such military arrangements would definitely be to China's benefit. His attitude toward the suggested pact between China, Russia and Great Britain was similar. The President would appreciate further information as to the nature of the proposed military arrangements and pact.

LAUCHLIN CURRIE

740.0011 European War 1939/13190 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, July 16, 1941—2 p. m.
[Received July 16—9: 10 a. m.]

1008. For the Acting Secretary. Department's 384, July 10, 5 p. m.

1. As the Foreign Minister is ill and is still confined to his bed I saw the Vice Minister for Foreign Affairs³³ today and conveyed to him orally and in strict confidence all of the points outlined in the Department's telegram under reference and telegrams referred to therein.

2. The Vice Minister, after carefully considering my statement,³⁴ asked whether he was justified in assuming that the statement meant that the United States might shortly declare war on Germany. I replied that I could not authorize him to read into the statement anything beyond its actual contents. With reference to the antepenultimate sentence taken from the Department's 312, June 6, 6 p. m.,³⁵ the Vice Minister asked whether this reference was aimed at Japan. I replied that the reference was aimed at no particular country but only at countries "where the shoe fits."

3. The Vice Minister said that he would bring my statement to the attention of the Minister for Foreign Affairs as embodying the reply of my Government to the inquiry contained in the final paragraph of the message of the Foreign Minister of July 7 [8].³⁶

GREW

740.0011 European War 1939/13231 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOkyo, July 17, 1941—11 a. m.
[Received 11: 50 a. m.]

1015. (The following telegram was drafted and about to be despatched shortly before announcement of the resignation of the Konoye

³³ Chuichi Ohashi.

³⁴ For text, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 509.

³⁵ *Ante*, p. 254.

³⁶ See statement handed the Ambassador in Japan on July 8, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 503.

Cabinet. I trust that this analysis may still prove helpful as a gauge by which to measure future developments, subject to the influence of new personalities in the Government and such new trends of policy, whether moderate or extremist, as may now be adopted.)

In my long experience in Japan there has never before been a time when greater difficulty has been encountered in discharging my duty of keeping the Department informed of developments in this country and of presenting seasoned views and estimates of Japanese policy. Due to lack of contacts with well-informed Japanese who are now threatened with severe penalties for disclosure of information, and due also to widely conflicting rumors, judgments cannot now be formed with that assurance with which I have presented estimates in the past, an assurance which in the main has been warranted by subsequent events. The following comment being speculative is somewhat discursive but it is partly based on observation at close hand of factors to which the Department may not be sensitive. These factors are perhaps at least more reliable indices than the extravagant and heterogeneous rumors which now fill the air. I make no pretensions at being able to predict the future course of events in this area, but for what they may be worth, my best judgment and estimate of the situation, as I see it, are hereunder presented.

1. Evidence of increased mobilization and military activity in Japan, the recent extensive calling of reserves to the colors, the recall of Japanese ships from abroad and other indications of apparent preparation for some impending event are giving rise to the usual circulation of widely diverse rumors in Tokyo and other cities in Japan. The opinions of many of my colleagues which at best can be but pure speculation may be said to fall into three schools of thought as follows:

- a.* The view that an attack on Vladivostok and the Maritime Province is in preparation;
- b.* the view that an attack on French Indochina is in preparation;
- c.* the view that military operations against China are to be intensified in the hope of giving China a knock-out blow in the near future.

2. My feeling is that the last of these possible developments is the most likely explanation of the factual evidence before us, that something is impending. It is the hypothesis supported by the greatest number of facts and requires the explaining away of the minimum of contrary evidence and argument.

3. Before discussing that question, however, it should be pointed out that not only the Japanese themselves but many of my colleagues are in a state of high nervous tension and are apparently cabling home each crop of rumors without subjecting them to close analysis. The report of an impending attack on Indochina mentioned in the Department's 386, July 11, 11 a. m. closely resembles that brought to me by

an American press correspondent. I have traced the latter report directly to the German Military Attaché who is also the source of a rumor that the Japanese will attack Singapore at some date between July 20 and August 10. The date specified by him as the beginning of the Japanese attack on Indochina through the occupation of Saigon was July 13. At the same time I have endeavored to weigh each of the various rumors against known facts and I am of the opinion that the report which I yesterday cabled to the Department of impending Japanese efforts to obtain a privileged position in Indochina should be taken seriously.⁸⁷ This last report coincides very closely with vague allusions in the Japanese doctored press to the need for destroying Chungking's communications with its back door or again to the importance of "strengthening defenses against attacks from Singapore".

4. With regard to point *a*, paragraph 1 above: I do not doubt that plans for an eventual attack on Vladivostok and the Maritime provinces figure prominently in the Japanese hypothetical program but I believe that we may discard as preposterous the thought that Japan, while still deeply involved in China, would undertake another major war on the Asiatic Continent unless or until the German-Soviet war should bring about military or political collapse, or both, in the Soviet Union. In such a contingency Japanese action would appear to be inevitable and it is, of course, possible that the present military activities are either primarily or secondarily preparatory for such a contingency. It is also possible that troops are being sent from points on the Japan Sea to the Northern Korean ports of Seishin and Rashin, in which case we would not be apt to know of such movements, but reports from consuls and foreign travellers do not indicate that abnormal troop movements are taking place in Korea and Manchuria. Furthermore, no official anti-air raid precautions are being taken in Tokyo at this time which is of significance because air raids on this and other Japanese cities would probably be the first Soviet reply to a Japanese attack on Soviet territory.

5. With regard to points, paragraph 1 above: The opinion is held among some of my colleagues that Japan will seek by agreement certain bases in Indochina and Thailand—following the action of the United States in acquiring rights to station troops in Greenland and Iceland—in order to place herself in a better posture of defense against Germany (in the event of a German victory) as much as against the United States and Great Britain. Whether this is so or not I cannot say, but it is interesting that my colleagues have also sensed the declining confidence to which I have several times alluded of the Japanese in the good faith of Germany. My feeling is that if the present gathering to-

⁸⁷ See telegram No. 1006, July 16, noon, from the Ambassador in Japan, vol. v, p. 210.

gether by Japan of a further large military force is intended primarily for military operations in a grand scale in China, urgent efforts will be made by Japan to secure from the French new bases of operations fairly close to the heart of unoccupied China.

6. Regard to point (c), paragraph 1: I can see no reason to revise my opinion that China is still Japan's chief preoccupation. It was Japan's China policy which brought Japan into her present difficult position, and it is not easy to see how she can extricate herself from that position without liquidation, by victory or by a negotiated peace or possibly defeat, of the China problem. Time, especially since the outbreak of the Soviet-German war, is running short. A victory by Germany might mean, not exposure of Japan to a German threat, the problem of seizing Soviet territories in the Pacific with attendant risks of trouble with the United States. The defeat of Germany, or even the demonstration by Russia of ability to stand firmly against Germany, might well adversely affect German morale and thus start a process of disintegration of German military force. I need not enlarge on the fact that the Japanese without exception dread the prospect of the war in Europe ending with Japan still enmeshed with China. It will be recalled that the Commander in Chief in China recently issued a pronouncement that China was tottering and that "one more push" was all that was needed for her defeat. There is nothing known to us which would successfully controvert the view that, if a large additional force (estimated to be between 1 and 2 million men), is being organized for immediate action and not merely for precautionary reasons, the logical theatre for the employment of this force would be China. A large force would, of course, also be required for any attack against Soviet territory, but the absence of special anti-air precautions and of large troop movements northward would have to be explained away if an immediate attack in that direction were under contemplation.

7. As we observed in our 944, July 8 [6], 9 p. m., the lack of complete unity of opinion among Japan's leaders, the desire not to increase Japan's involvements in Europe, and the declining confidence in Germany's good faith, are, among other factors, operating against the pursuit of a dynamic policy calling for new initiatives which might well greatly increase the risks of Japan's involvement in the war without, at the same time, materially promoting her efforts to bring the China conflict to an end. It has been made clear to me by Mr. Matsuoka that for better or for worse Japan will cooperate with Germany, at least within the four corners of the Alliance Treaty; and I am prepared to take that statement at its face value; I am further prepared to believe that what are conceived by some to be Japanese common interests with Germany might bring about Japanese action which would extend the war in Europe to the Pacific, but at the same time no evidence has

as yet been brought to my knowledge which would support the view that Japan will resort to initiatives risking conflict with the United States unless such initiatives are calculated by the Japanese to be the only available method for bringing the China conflict to an end, or arising out of obligations assumed by Japan in concluding the alliance with Germany.

GREW

740.0011 European War 1939/13212 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 17, 1941—6 p. m.

[Received July 17—9:15 a. m.]

1020. For the Acting Secretary. My 1008, July 16, 2 p. m. The Vice Minister for Foreign Affairs asked me to call at the Foreign Office this afternoon and said that after he had conveyed to the Foreign Minister the communication orally communicated by me yesterday, Mr. Matsuoka had requested him to communicate to me the following reply.

(See my 1021, July 17, 7 p. m., for quoted matter.³⁸)

GREW

761.94/1349 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 24, 1941—1 a. m.

[Received July 23—6 p. m.]

1068. Colleague who enjoys close relations with a former Prime Minister was today [*yesterday?*] told by the latter that the Japanese Government is awaiting an approach by the Soviet Government for the purpose of reaching a general agreement. The Ambassador believes, but is not certain, that such an expected approach will arise from conversations already held between Molotov and the Japanese Ambassador in Moscow. According to informant, the Japanese Government will be disposed to conclude such an agreement on the following four conditions:

- (1) Demilitarization of Vladivostok.
- (2) Mutual withdrawal of troops to a given distance from the Manchurian-Siberian frontier.
- (3) An undertaking by Soviet Russia that no base on any part of Soviet territory will be ceded to any third power (meaning the United States or Great Britain).

³⁸ Telegram not printed; for quoted statement, see oral statement by the Japanese Vice Minister for Foreign Affairs, *Foreign Relations*, Japan, 1931-1941, vol. II, p. 513.

(4) Implementation of article 3 of the Karakhan-Yoshizawa agreement of 1925³⁹ providing that Japan should be given priority in the importation of raw materials from Siberia.

It was not made clear what Soviet Russia would gain by such an agreement except a further guarantee of neutrality beyond the neutrality treaty between the two powers.

Not repeated to Moscow.

GREW

740.0011 European War 1939/13477 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 25, 1941—10 p. m.

[Received July 25—6:25 p. m.]

1084. 1. Tolischus⁴⁰ tells me that he has learned from a source close to the Prime Minister which he regards as completely reliable that shortly after the assembly of the new Cabinet the German Ambassador called on the Minister for Foreign Affairs⁴¹ and asked him to convey to Prince Konoye a message to the effect that (1) Germany will have successfully completed its campaign in Russia in August, (2) Germany will invade Great Britain in September and (3) the war will end in a German victory before winter. It, therefore, behooves Japan to remain loyal to the Tripartite Alliance.

2. Informant furthermore told Tolischus that Germany wants Japan to invade Soviet Russia instead of pursuing the southward advance and that the Germans desired the dropping of Matsuoka not only because he talked too much but because he was responsible for the neutrality treaty with Soviet Russia.

3. The foregoing report is communicated to the Department without any undertaking on my part as to its accuracy but because Tolischus informs me that he is entirely convinced of its reliability.

GREW

740.0011 P. W./337 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, July 27, 1941—8 p. m.

[Received July 27—2:45 p. m.]

1104. Embassy's 1052, July 23, noon,⁴² paragraph numbered 3. It is significant that in my recent talks with the new Foreign Minister

³⁹ Treaty signed at Peking, January 20, 1925, by the Soviet Ambassador in China and the Japanese Minister in China; League of Nations Treaty Series, vol. XXXIV, p. 31.

⁴⁰ Otto David Tolischus, Tokyo correspondent of the *New York Times* and the *London Times*.

⁴¹ Adm. Teijiro Toyoda.

⁴² *Ante*, p. 336.

the only thing that has made him really angry has been any allusions on my part to the belief in the United States that Japan's present policies were the result of German pressure or that Germany now exercises any influence on Japan. It is generally known in official circles that Matsuoka telegraphed to Ribbentrop some 48 hours before Germany's attack on Soviet Russia to ask if there were any truth in the rumors of such an impending attack and that he received from Ribbentrop a categorical denial. Matsuoka in fact confirmed this story to my Turkish colleague.

GREW

740.0011 European War 1939/13517 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

Tokyo, July 29, 1941—10 p. m.

[Received July 29—6:18 p. m.]

1122. Since the beginning of the Soviet-German war, we have received only plain language telegrams from Moscow and consequently have no information in regard to the development of the military and political situation as it affects the question of Soviet resistance. As the Department will have observed from the reports from our consuls at Dairen, Mukden, and Harbin, there is accumulating evidence of unusual military activity in Manchuria and according to some of these reports movements of troops in the direction of the Soviet border. While there is yet no accurate information on which to base an estimate of the present number of Japanese troops in Manchuria or of the extent to which they have increased recently, it is beginning to be apparent that a considerable portion at least of the reservists called up are being sent to that area. Furthermore there are a number of unconfirmed rumors in foreign circles in Tokyo to which some of my colleagues attach importance that the Japanese Government is making preparation for a possible attack on Russia sometime after the middle of August, and in this connection the Department's attention might be drawn to the evasive reply of the Japanese Foreign Minister to an inquiry from my British colleague (see my 1109, July 28, 9 p. m.⁴⁴) in regard to the intention of the Japanese Government to observe the Neutrality Pact with Russia. While these various reports and rumors are yet without sufficient foundation to base thereon any reliable opinion, it would be most helpful to me if the Department would repeat here any indications which it may have from Moscow or elsewhere concerning the prospects of the success or failure of the German offensive in the immediate future since it must be assumed that this factor will in large measure determine the attitude of Japan.

GREW

⁴⁴ Vol. v, p. 237.

740.0011 E. W. 1939/14920½

*Memorandum by Mr. Harry L. Hopkins, Special Assistant to
President Roosevelt* ⁴⁵

CONFERENCE AT THE KREMLIN, JULY 31, 1941, 3 TO 4 P. M.

Present: Mr. Molotov, Foreign Commissar U. S. S. R.
Ambassador Steinhardt
Harry L. Hopkins

Mr. Molotov stated that while the Soviet-Japanese relations presumably had been fixed by, first, the conversations with Matsuoka and, secondly, the neutrality pact signed between the two countries, nevertheless, the attitude of the new Japanese Government toward the Soviet Union is uncertain and, since the Soviet Government is by no means clear as to the policy which the Japanese Government intends to pursue, it is watching the situation with the utmost care.

He stated that the one thing he thought would keep Japan from making an aggressive move would be for the President to find some appropriate means of giving Japan what Mr. Molotov described as a "warning".

While Mr. Molotov did not use the exact words, it was perfectly clear that the implication of his statement was that the warning would include a statement that the United States would come to the assistance of the Soviet Union in the event of its being attacked by Japan.

Mr. Molotov did not express any immediate concern that Japan was going to attack Russia and on Russia's part Mr. Molotov stated repeatedly that Russia did not wish any difficulties with Japan.

He left me with the impression, however, that it was a matter of very considerable concern to him and that he felt the Japanese would not hesitate to strike if a propitious time occurred. Hence his great interest in the attitude of the United States towards Japan.

I told Mr. Molotov that the Government of the United States was disturbed at the encroachments which Japan was making in the Far East and I was sure the American people would not look with any favor on Japan gaining a further hold in Siberia; that our long period of friendly relations between Russia and the United States, with our two countries only fifty miles apart, should be some indication of our interest in seeing stability in the Far East, including Siberia.

I told him that our Government was watching developments in the Far Eastern situation with great care and looked with misgivings and concern at the threatening attitude of Japan, both to the South and to the North. I told him, however, that our attitude towards Japan was a reasonable one and that we had no desire to be provocative in our relations with Japan.

⁴⁵ Copy transmitted to the Secretary of State by President Roosevelt.

I told him I would give the President his message regarding his, Molotov's, anxiety about Siberia and his desire to have the President indicate to Japan that further encroachments would not be tolerated.

I asked Mr. Molotov what their relationships with China were in the light of new developments and whether or not they could continue rendering the substantial material assistance they had been giving to Chiang Kai-shek or whether the Soviet Union's requirements in its own war with Germany would preclude their continuing to supply China.

Mr. Molotov replied that, of course, the Soviet Union's requirements for war material must of necessity adversely affect delivery to China; that while they do not wish to cut them off entirely and would continue to give everything they could, the necessities of their own situation required them to divert the Chinese supplies to their own battle line. Molotov expressed the hope that the United States would increase its own deliveries to make good the deficiency caused by Germany's attack on the Soviet Union.

I told Mr. Molotov that the American people were impressed by the gallant defense of the Soviet Army and assured him of the desire of the President to render every possible aid in the terms of materials to the Soviet Union as speedily as possible.

Mr. Molotov asked me to convey the Soviet Government's thanks to the President for sending his personal representative on this mission to Moscow.

HARRY L. HOPKINS

740.0011 European War 1939/13517: Telegram

The Acting Secretary of State to the Ambassador in Japan (Grew)

WASHINGTON, August 1, 1941—7 p. m.

455. Your 1122, July 29, 10 p. m. The Department has received little information from any source bearing upon the situation under reference. Neither the British nor the American military attachés in Moscow are permitted to visit the front and are given little information concerning the actual progress of hostilities.

According to our information the German armies have apparently not advanced to any considerable extent during the past 2 weeks and have been subject to severe counter attacks especially in the Smolensk salient. Strong German-Finnish pressure on Leningrad continues and it is not impossible that that city will be encircled or occupied in the near future. It is the consensus of our military authorities, however, that the main German objective is the destruction of the Soviet armies in Western Russia.

In view of the lack of sufficient reliable information on the actual progress of hostilities, we are unable to comment at this time with

any sense of prophetic accuracy on the prospects of the success or failure of the German offensive in the immediate future. We will, however, endeavor to advise you from time to time of significant developments.

WELLES

740.0011 European War 1939/13677 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, August 5, 1941—noon.

[Received 2:45 p. m.]

1443. For the President, the Secretary and Under Secretary. The Chinese Ambassador told me yesterday that his Government has ascertained from reliable sources that under cover of the move in Indochina the Japanese have increased their forces in Manchuria—principally around Kalgan—by not less than 100,000 and not more than 300,000 men. He said that it is the opinion of the Chinese Government that having increased its military strength in Manchuria Japanese policy would now be to wait developments. He also stated that his Government believes that a demand has been made by Japan of Thailand for air and naval bases. The Ambassador also said that Soviet deliveries of war material to China have continued up to the present time in accordance with the commitments undertaken by the Soviet Government prior to the outbreak of the Soviet-German war. He added that he has not yet discussed with the Soviet authorities what their position would be after the deliveries previously agreed upon have been completed.

STEINHARDT

740.0011 European War 1939/13835 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, August 9, 1941—3 p. m.

[Received August 10—6:30 a. m.]

1461. The Japanese Ambassador called on me this morning. I received the impression that the principal purpose of his call was to endeavor to ascertain what assistance the United States contemplates rendering the Soviet Union. In response to his approaches along this line I made it clear that I would furnish no information as to the nature and extent of American aid to the Soviet Union and in order to discourage future inquiries of the same nature intimated that information of this character constitutes a military secret.

With respect to Japanese-Soviet relations the Ambassador stated that while no conversations are taking place in Moscow he understood that the Soviet Ambassador in Tokyo had recently renewed his inquiry of the Japanese Foreign Minister as to whether there has been any change in the Japanese attitude toward the Soviet-Japanese neutrality pact and that he had been assured that there has been no change and that there will be no change "as long as the Soviet Government remains neutral in spirit." When I asked Tatekawa for his interpretation of the phrase "neutral in spirit", he replied: "I suppose our Foreign Office wanted to qualify its statement that there was no change."

Insofar as concerns reports of a substantial increase in the number of Japanese troops in Manchuria the Ambassador said the increase had not been so great as rumors would indicate as there had also been a withdrawal of forces in order to grant leave to large numbers of men. Tatekawa stated that he doubts that Japan intends to attack the Soviet Union in the immediate future.

The Ambassador remarked that he believes Britain contemplates taking action in Iran, and in this connection stated that the Soviet Government has refused to grant travel permits to members of his staff desiring to visit Iran in view of which his Government probably will retaliate by withholding transit permits from Soviet diplomats desiring to pass through Japan. He complained that the Soviet Government has persistently refused to accede to his requests for transit visas for Japanese desiring to return to Japan from Europe by way of the Soviet Union.

Tatekawa made no comment on the Soviet-German conflict other than to say that Oshima, the Japanese Ambassador at Berlin (whom he described as very pro-Nazi), had been permitted by the Germans to visit Smolensk within the last few days. He stated that all trade between Japan and Germany had ceased.

Repeated to Tokyo.

STEINHARDT

740.0011 European War 1939/14168 : Telegram

The Ambassador in the Soviet Union (Steinhardt) to the Secretary of State

Moscow, August 20, 1941—8 p. m.
[Received August 21—1:30 a. m.]

1547. The Chinese Ambassador told me this afternoon that he has received information from Chungking to the effect that the Japanese have for some time past been withdrawing troops from the Yangtze area, some of which have been sent south to Indochina and others

north to Manchukuo. He also said that it is the opinion of his Government that Japan will not attack the Soviet Union unless and until the Germans have occupied Moscow and that even then it was by no means certain that the Japanese would move against the Soviet Union unless there was reasonably clear indication of a collapse of Soviet resistance.

The Ambassador said with respect to deliveries by the Soviets of war material to Chiang Kai Shek that they were continuing according to the terms of the existing agreement and that so far as he was aware no discussions have as yet taken place with the object of entering into a new agreement. He said that the relations between his Government and the Soviet Government are "entirely satisfactory."

STEINHARDT

740.0011 European War 1939/14561 : Telegram

The Ambassador in France (Leahy) to the Secretary of State

[Extract]

VICHY, August 30, 1941—3 p. m.

[Received August 31—2:05 p. m.]

1111. We found Ostrorog this morning in a decidedly optimistic mood over recent developments in the East. We report his views below to show the interpretation given recent developments by the French Foreign Office:

He began by "congratulating" the United States on separating Japan from the Axis. The arrival of our merchant ships at Vladivostok without molestation, the failure of the Japanese to make further moves in Thailand, the President's conversations with Ambassador Nomura are taken here, he said, to mean that Japan has decided that Germany is going to lose the war and she must therefore for practical reasons adjust her relations with the Anglo-Saxon powers accordingly. "With all objectivity I must say that this has been possible at French expense: the moderate civilian elements in Japan were able to give the military extremists a peaceful conquest in Indochina which will probably prove sufficient to satisfy them," he said. "These moderate elements," he went on, [" "] have not yet succeeded in winning the Emperor to an open reversal of policy but that will come. Reports from Ambassador Henry lead me to believe that there may soon be discussions for a settlement of the Sino-Japanese war with the United States either formally or informally playing the role, always an advantageous one, of mediating power. Negotiations would of course be of long duration and could be successful only on the basis of complete military evacuation of China by the Japanese, possibly with recognition of some special Japanese economic interests in that country. While you might argue that this would merely give Japan a free hand for operations

either in the South or against Russia, I believe that you and the British and Dutch are now sufficiently strong to make both impossible. Furthermore, it is not to American interest to see Japan crushed. She plays a useful role in the Far East and our Chinese friends of today would quickly become insupportable without the counterbalance of Japan. We will remember how difficult they were in the period from 1928 to 1931. If the Sino-Japanese war were ended and your relations with Japan placed on a satisfactory basis it would free you, of course, for greater efforts in other areas."

While he feels confident that the Germans are much annoyed at the Japanese "defection" from the Axis, he does not believe Hitler is in any position to exert pressure on his oriental allies. German chagrin, he said, must be doubly great in view of the recognition of the Nanking regime which the Japanese extracted as a *sine qua non* even for consideration of an attack on Russia. Ribbentrop and the Wilhelmstrasse, he said, have always advocated friendly relations with Chiang Kai Shek for the maintenance of Germany's somewhat favored position in China after the war. The recognition of Nanking, he continued, which the Germans for 7 months declined to accord is a blow which the "personal vanity" of Chiang Kai Shek will never forgive. It must be therefore, he said, an extremely bitter pill for the Germans that, after presenting the Japanese with a concession that cost so dearly, the Japanese have made no move on Vladivostok.

LEAHY

740.0011 European War 1939/15301 : Telegram

*The Ambassador in the Soviet Union (Steinhardt) to the
Secretary of State*

Moscow, September 22, 1941—2 p. m.

[Received 2: 50 p. m.]

1695. I learn indirectly but from a source that I believe to be reliable that members of the Japanese Embassy here are not impressed by the progress of the campaign against the Soviet Union, although I understand that the Germans are keeping the Japanese fully informed and are emphasizing their successes. Japan is said to believe that Germany cannot long continue to support the heavy losses which they have been suffering.

The Japanese Naval Attaché stated to my informant that the Soviet Far Eastern Army has not only not been weakened since the outbreak of the Soviet-German war but in some respects has been strengthened. He said that regardless of German successes in the west he did not

believe that Japan would attack the Soviet Union as long as the morale of the Soviet Far Eastern Army remained high but that if the country should begin to disintegrate Japan would probably take advantage of the situation.

Repeated to Tokyo.

STEINHARDT

761.94/1358: Telegram

*The Ambassador in the Soviet Union (Steinhardt) to the
Secretary of State*

Moscow, September 22, 1941—5 p. m.

[Received 5:45 p. m.]

1696. For the President, the Secretary and Under Secretary. In an endeavor to ascertain whether conversations or negotiations of moment are at present being carried on between the Soviet and Japanese Governments, I called on the Japanese Ambassador today.

He told me that he has not seen Molotov since August 15th and that the only subjects he has under discussion with the Soviet authorities are a Japanese protest concerning floating mines from Vladivostok (one of which blew up a Japanese fishing vessel with the loss of four Japanese lives, while seven others have been picked up in Japanese fishing waters); a Soviet protest at the continued increase of Japanese forces in Manchuria; and other "minor" subjects.

In so far as concerns the Japanese protest at the movement of American oil to Vladivostok,⁴⁶ the Ambassador described it as "formal" as he said he did not see how anything more could be done about the matter by his Government in view of the clear right of the Soviet and American Governments to carry on trade. He said he doubted that the protest would be followed by any further action by the Japanese Government, "particularly as four tankers have already arrived at Vladivostok."

With respect to Japanese policy in general, the Ambassador expressed the opinion that his Government would consolidate its position in Indochina but said that he does not anticipate any move towards Thailand in the near future. Tatekawa also stated that although the Soviet Ambassador in Tokyo was carrying on discussions with the Japanese Foreign Office he did not believe that the subjects under consideration were "political" or "important".

Repeated to Tokyo.

STEINHARDT

⁴⁶ See telegrams Nos. 1330 and 1334, August 23, 7 p. m., and 11 p. m., from the Ambassador in Japan, p. 406.

740.0011 European War 1939/15886 : Telegram

The Ambassador in China (Gauss) to the Secretary of State

CHUNGKING, October 17, 1941—11 a. m.

[Received October 17—10:35 a. m.]

420. The Military and Naval Attachés of the Embassy inform me that high Chinese military officers expect that the Japanese will attack Siberia within a few days. This information follows upon reports here, which we are unable, however, to confirm, that Soviet Russia has substantially reduced its Far Eastern army including its air arm.

Sent to the Department, repeated to Peiping and Shanghai.

GAUSS

761.94/1366

*Memorandum by Mr. William R. Langdon of the Division of Far Eastern Affairs*⁴⁷

[WASHINGTON,] October 20, 1941.

The Soviet Union is technically protected from Japanese attack at this time and until April 13, 1946 by virtue of the provisions of article 2 of the Neutrality Pact with Japan of April 13, 1941 reading as follows:

“In case either one of the high contracting parties becomes an object of military action by one or more third parties, the other party shall observe neutrality throughout the entire period of such a conflict.”

By virtue of article 1 of the same pact each contracting party agrees to respect the territorial integrity and inviolability of the other, and by virtue of a joint declaration issued simultaneously with the conclusion of the pact Japan respects the territorial integrity and inviolability of the People's Republic of Mongolia and Russia respects the integrity and inviolability of the “Empire of Manchukuo”.

If Japan at this time were to attack either Siberia or Outer Mongolia such attack, in view of the above-quoted provisions of the Neutrality Pact and Joint Declaration, would constitute a breach of faith that would irreparably injure Japan's national honor. Nevertheless there are a number of issues pending between Japan and the Soviet Union that remain unsettled as far as Japan is concerned, and it is conceivable that the Soviet Union's preoccupation at the moment may tempt Japan to use these issues as a pretext for seizure of Russian territory. The existence of such issues is specifically mentioned in the concluding sentence of Premier Konoye's public statement made April 13, 1941, on the occasion of the conclusion of the Pact, namely:

⁴⁷ Initialed by the Chief of the Division (Hamilton) and noted on October 22 by the Under Secretary of State.

"I have no doubt that the Pact will serve as a basis for rapid solution in a concrete manner of various pending considerations between the two countries."

No formal attempt has been made by either country to solve the questions pending between them since the above declaration was made. The most important of these issues at the moment are:

- (1) The fisheries question;
- (2) The Northern Saghalien oil and coal concessions;
- (3) A non-aggression pact (including Soviet abstention of aid to Chiang Kai-shek);
- (4) Border demarcation;
- (5) A commercial accord;
- (6) Soviet abstention from spreading Communism in Japan, China and Manchuria;
- (7) A pledge not to cede Siberian or Kamchatkan bases to a third power, or to lease such bases to such power;
- (8) Cession or leasing to Japan of Saghalien;
- (9) A pledge that the Soviet Union will not utilize in the Far East war supplies delivered at Vladivostok;
- (10) Demilitarization of border zone, including Vladivostok.

With regard to question (1), Japan wants a permanent fisheries convention, a convention that will take the place of the year-to-year extension of the Fisheries Convention of 1928—1941 is the sixth one-year extension of this treaty—whereby Japanese fishery companies bid against the Soviet Government for annual leases of given fishing grounds. The Japanese have been losing ground in this year-to-year arrangement, and annually suffer suspense and inconvenience from the Soviet's obstructive tactics. A permanent fisheries convention on Japanese terms would be an important gain for Japan.

With regard to question (2), Japan acquired from Russia by the Treaty of Moscow of 1925, as a *quid pro quo* for withdrawing her troops from the Russian half of Saghalien, which she occupied during the Allied intervention in Siberia (1918-1920), prospecting and mining rights for eleven and forty-five years, respectively, in 272,000 acres of land in northern Saghalien. The prospecting rights were extended to 1941. In the meantime, Japan has been extracting some 150,000 tons of crude oil annually from wells discovered in northern Saghalien. In recent years the Soviet Union has made it very difficult for the Japanese concessionaries to operate these wells, as the Soviet Union has insisted on the use of a high quota of Soviet labor, Soviet labor conditions, payment of wages in rubles fixed at an arbitrary exchange rate, et cetera. Japan might propose to the Russians that (a) they extend the prospecting rights for ten years and (b) give extra-territorial jurisdiction to Japan over the area of the mining rights during the remainder of the mining term, which would allow Japan to use her

own laborers and pay them in her own currency, Japan paying to the Soviet Union a small royalty.

Question (3), concerning a non-aggression pact, is not in itself of value to the Japanese at this time, but such a pact could be phrased in a manner that would obligate the Soviet Union to refrain from supplying arms to a country with which Japan may be at war (viz., Chiang Kai-shek).

The border demarcation question (question 4) is no longer important, as a Commission is in progress of delimiting the Soviet-Outer Mongolian-"Manchukuo" frontier. However, concessions might be made by the Soviets in the way of moving the frontier backward to give "Manchukuo" some additional territory in Outer Mongolia, some islands in the Amur River, a strategic hill or two along the Korean frontier, et cetera.

Question (5) regarding a trade agreement is not important at the moment because of Russia's preoccupation, but an accord advantageous to Japan could be signed now for implementation following the restoration of peace.

The question of Communism (question 6) is not a very real question between the two countries, as Japan can and does take care very well of the problem of Communism in territory under her administration or occupation and would not in any event trust Russian pledges to abstain from spreading Communism by undercover methods. However, a formal undertaking by Russia to abstain from association with subversive Communist activity in Japan, China and Manchuria might have some psychological value at this time, especially in view of the growing strength of the Chinese Communist Party.

The first six questions pending between the two countries seem capable of negotiation, as they do not impinge on the Soviet Union's sovereignty. A pledge not to cede bases to a third power on the Pacific or Sea of Japan Littoral (question 7) may very well be given to Japan, as an attack on Russia by Japan would release Russia from this pledge. A pledge not to store at Vladivostok military supplies obtained from the democracies but to move them to European Russia (accompanied possibly by permission to Japan to maintain a mission to supervise the movement (question 9)) likewise could be given without harm to Russia's position if Russia should feel that circumstances did not require retention of such supplies at Vladivostok and other Far Eastern bases.

The cession or lease of Saghalien and the demilitarization of the border zone (Manchurian as well as Korean), including Vladivostok, (questions 8 and 10) are fundamental matters for Russia and it is seriously doubted whether Russia could yield in respect to them.

Even were the Russians disposed to yield on matters of this kind to a friendly neighbor, it is certain that they would not be similarly disposed to Japan owing to their deep distrust of Japan. However, if the Japanese could convince Stalin that the making of concessions by Stalin would result in Japan's moving southward militarily rather than northward, Stalin might be disposed to make some rather far-reaching concessions. While it is believed highly unlikely that Stalin would be willing to agree to dismantle existing defensive fortifications, he might be willing to give an undertaking to Japan to withdraw Soviet airplanes from Vladivostok to some point such as Habarovsk. He might also, should there develop in European Russia a desperate need of planes, be willing to go so far as to agree to transfer the entire Soviet Far Eastern air force to points west of Lake Baikal. It is conceivable also that Stalin might under pressure of circumstances agree to lease northern Saghalien to Japan for a term of years.

The probability is that the Soviet Far Eastern army is so strong that, even with a substantial reduction, this army would remain confident of being able to defend the Soviet Far East against a foe as pre-occupied and weakened and industrially incapacitated as Japan. If Stalin should share this confidence, it seems extremely unlikely that Russia would be willing to yield to Japan any territory or sovereign rights in the Far East. A firm, unyielding attitude on fundamental issues by the Soviet Union at this time, when winter is descending upon Siberia and making campaigning out in the open almost unendurable for human beings, would seem to be the most likely attitude that the Soviet Union will follow with respect to Japan. Another point to remember is that it may be in the mind of the Soviet leaders that a Japanese attack on Soviet territory would precipitate American entry into the war, and that the desire of these leaders that America enter the war may cause them to take an adamant stand vis-à-vis Japanese demands, which might provoke such an attack. However, it is believed that the Soviet Union would prefer, as between a Japanese attack to the north or a Japanese attack to the south, to have Japan move southward.

The foregoing discussion is an attempt to explore the probabilities of a negotiated settlement of points of conflict between Japan and the Soviet Union. While a negotiated settlement of issues not of a fundamental nature would seem to present no great difficulty, it appears improbable that Russia would yield to any Japanese claims touching upon the Soviet Union's territorial integrity and sovereignty. Such a yielding remains, however, a possibility.⁴⁸

⁴⁸ The Assistant Chief of the Division of European Affairs (Henderson) wrote Mr. Hamilton on October 22: "We fully agree. The memorandum in our opinion is excellent."

740.0011 European War 1939/16454 : Telegram

The Ambassador in Japan (Grew) to the Secretary of State

TOKYO, November 7, 1941—1 p. m.

[Received November 7—10:08 a. m.]

1760. Embassy's 1759, November 6, 8 p.m.,⁴⁹ second paragraph.

1. In regard to the general question of a Japanese attack on Siberia, while obviously the real intentions of the Tojo Government in this respect are not known, it can be said that there have been no indications since the formation of the new Government which would tend to support the views that action against the Soviet Union is contemplated in the immediate future. Indeed, surface indications which are naturally not conclusive suggest rather an intention to seek the maintenance of normal relations with the Soviet Government or possibly to exploit through diplomatic means Russia's precarious position for the purpose of obtaining the fulfillment of certain Japanese desires, particularly in respect to the Soviet attitude toward Chiang Kai-shek. As previously reported, the appointment of both a Minister and Vice Minister for Foreign Affairs⁵⁰ who have had personal experience in constructive diplomatic negotiations with the Soviet Government is of significance in regard to Japan's immediate intentions towards the Soviet Union.

2. Furthermore, since the formation of the Tojo Government, the Japanese press in general has adopted a more objective and moderate attitude towards the Soviet-German war. In its leading editorial of October 31, the *Nichi Nichi* spoke of certain unclarified aspects of the relations between Japan and the Soviet Union, and specifically mentioned that despite the neutrality pact, the Soviet Union attitude toward Chiang Kai-shek constitutes an obstacle to the development of genuinely friendly relations and concluded by urging the new Foreign Minister, Mr. Togo, to seize the opportunity to place relations between the two countries on a more stable basis. The *Japan Times and Advertiser*, which is regarded as expressing the views of the Foreign Office, has, in the past 2 weeks, commented editorially on the Soviet-German war and has, in general, developed the view that no collapse of the Soviet Union is to be anticipated even if Leningrad, Moscow and the whole of European Russia should be occupied by Germany, since the Soviet Union possesses sufficient resources in men and material and industrial capacity to continue with British and American help to wage effective warfare from behind the Urals.

According to the best available information, there are from 500,000 to 800,000 Japanese troops in Manchuria, a quantity sufficient to exploit any collapse of the Soviet structure, extending into Siberia,

⁴⁹ *Ante*, p. 570.

⁵⁰ Shigenori Togo and Haruhiko Nishi, respectively.

but not, in the opinion of military observers, sufficient to undertake an invasion of Siberia in the face of an intact Soviet Far Eastern army and air force. While obviously any clear sign of an impending Soviet collapse would alter the situation immediately, it would appear that for the immediate future at least the Japanese will continue their past policy of watchful waiting in regard to the Soviet Union.

3. It is too soon to evaluate the possible effects on the relations between Japan and the Soviet Union of the accidental sinking announced yesterday of the *Kehi Maru* which the Japanese claim was sunk following collision with a Soviet floating mine. While there is no indication so far of an intention on the part of the Japanese press to play up this disaster and a protest has merely been delivered to the Soviet Ambassador in Tokyo, the accident occurs against a background of previous Japanese complaints in regard to the danger of loose Soviet mines in the sea of Japan.

GREW

762.9411/311 : Telegram

The Chargé in Germany (Morris) to the Secretary of State

BERLIN, November 25, 1941—6 p. m.

[Received 7:27 p. m.]

4175. My 4167, November 24, 6 p. m.⁵¹ The press will doubtless have reported the year extension of the Anti-Comintern Pact and the adherence of seven new members⁵² which took place in Berlin today and I am not sure that this intended demonstration resembling so many others that Berlin has witnessed in the recent past calls for much serious comment. It is obvious that in the present instance the pretext for a dress parade of Axis puppet states was particularly slender for if, as the Germans would have us believe, Bolshevik military power has been definitely smashed at least three times in the last 6 months and nothing remains for the German armies but a series of mopping up operations it is not apparent why an international conference should have to be called for the ostensible purpose of envisaging another 5 years of vigorous and menacing Comintern activity. From this we can only surmise that the real reasons for staging a demonstration at this moment must have been of a decidedly ulterior motive. There is little doubt that Berlin circles had hoped to soften the advent of another hard war winter for the subject peoples of Europe by holding a conference at this time to celebrate the successful conclusion of the Russian campaign and to announce the beginning of demobilization and reconstruction on the continent of Europe. Cold military facts having precluded the realization of this plan, the present demonstra-

⁵¹ Not printed.

⁵² Bulgaria, Croatia, Denmark, Finland, Nanking regime, Rumania, and Slovakia, who joined Germany, Japan, Italy, Hungary, Spain, and "Manchoukuo".

tion was probably designated to fill the resulting gap; and if it appears even emptier and more pathetic than similar marionette shows which Ribbentrop has held in the past this is probably the result of its stop-gap character.

There has been no official statement as to what further formalities or discussions are envisaged but it is intimated that something more of this nature designed in the words of the *Dienst aus Deutschland* "to emphasize and deepen the meaning of this manifestation in still another form" is contemplated. It is not believed, however, that all of the visiting plenipotentiaries will wish to remain any longer than necessary in Berlin now that they have performed these services expected of them.

Repeated to Rome.

MORRIS

740.0011 Pacific War/864 : Telegram

The Chargé in the Soviet Union (Thurston) to the Secretary of State

KUIBYSHEV, December 9, 1941—9 a. m.

[Received December 10—3:31 a. m.]

2035. There has as yet been no official indication of the reaction of the Soviet Government to the Japanese attack upon the United States and the resultant hostilities. The news was first received here in the early morning hours Monday,⁵³ on which day no local papers are published. Today's Kuibyshev paper devotes approximately two-thirds of its foreign affairs page to the hostilities in the Pacific area, most of the text, however, consisting of Tass news despatches from the various capitals concerned. While no Soviet comment accompanies these items, it is noticeable (a point of significance in analyzing the Soviet press) that the greater part of these despatches are from American and British sources.

In so far as the reaction of the Soviet public is concerned, such information as has come to me by courtesy of the American journalists and others who have some slight contact with Soviet citizens indicates that, as was to be expected, the feeling is hostile to Japanese, entirely favorable to ourselves—although the possibility that our involvement in actual hostilities might result in the curtailment of the flow of American war supplies to the Soviet Union was expressed in more than one instance. Nothing has been reported to me indicating that either official or private Soviet commentators contemplate action at this time by the Soviet Government which on the contrary, it is assumed, will continue at least for the present to be guided by the Soviet-Japanese pact of neutrality.

I called on Vyshinski⁵⁴ this evening for the purpose of discussing pending Embassy questions with him and although our conversation

⁵³ December 8.

⁵⁴ Soviet Assistant Commissar for Foreign Affairs.

inevitably dealt with the Japanese-American hostilities, he made no comment other than to indicate his very cordial good will. I did not, of course, attempt to elicit from him any statement on this subject. I did, however, ask him if he had had any communication from the Japanese Ambassador and he replied that Tatekawa had just called to convey to him a formal oral declaration that Japan is at war with the United States, Great Britain and several members of the British Commonwealth.

THURSTON

740.0011 European War 1939/17290 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 10, 1941—8 p. m.
[Received December 10—4:25 p. m.]

5986. This is just to remind you of Eden's mission⁵⁵ and to suggest that you might want to take advantage of it. It is possible for me to communicate with him from here.

When Eden left it was not his intention nor the Prime Minister's to press for a declaration of war against Japan. I understand that at some point in the earlier conversations it was suggested that two British divisions might be made available on southern section of the Eastern Front. The British are not in a position to go through with this suggestion. This and a general inability to make a direct contribution on the Russian front seemed to me in part responsible for their not wanting to over press for additional military assistance at this time. On the other hand the British have complied with Stalin's insistence on a declaration of war against Finland, Hungary and Rumania and the military situation on the Russian front, particularly in the south, is much improved. I only give you the above as background in following up the suggestion in the first sentence of this message. The warning in the first paragraph of my message No. 5876, December 4, midnight⁵⁶ still holds.

WINANT

740.0011 Pacific War/1047 : Telegram

The Chargé in the Soviet Union (Thurston) to the Secretary of State

KUIBYSHEV, December 13, 1941—1 p. m.
[Received 6:06 p. m.]

2504. The noncommittal attitude with respect to the American-Japanese war that has been maintained by Soviet officials and the So-

⁵⁵ The British Foreign Secretary was going to the Soviet Union.

⁵⁶ Not printed.

viet press since the outbreak of hostilities (during which time Lozovski⁵⁸ has held no press conferences) has finally been changed by the appearance of an editorial on the subject in *Pravda*. Excerpts from this editorial as reprinted in today's local paper are contained in a telegram bearing the next succeeding number.⁵⁹

Inasmuch as a *Pravda* editorial must be assumed to express and lay down official policy it is of especial significance that this document states bluntly that the Japanese attacked us "treacherously and without warning" and that the negotiations in progress in Washington at the time of the attack "were obviously for the purpose of making the preparation for this treacherous attack". It is also of much interest that definite assertions regarding the outcome of the war are made, such as that despite initial successes "the Japanese invader has leaped into a very risky adventure which does not forebode him anything except ruin" and that "Japan will incontestably be defeated".

THURSTON

740.0011 European War 1939/17503 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 14, 1941—6 p. m.

[Received December 14—2: 15 p. m.]

6046. For the Secretary and Under Secretary only. The assumption in your 5868, December 13⁵⁹ that I expected Eden to act for us in place of United States Embassy to Soviet Union is incorrect.

Eden and Maisky⁶⁰ will both be in Moscow in direct contact with Stalin and I have known Maisky intimately for 3 years. He is friendly with the United States and in no way friendly with Japan. I wanted to see us take advantage of their presence in Moscow in urging British support of an invitation to make use of Russian maritime province airports from which to bomb Japanese industry and to support a declaration of war by Russia against Japan if that was what was wanted. This would necessitate intervention by the President with the Former Naval Person.⁶¹

If such intervention were wanted it would in my opinion help to have it pressed by Eden in person. Knowing the time tables, it would probably be necessary for me to ask Eden to prolong his stay in Moscow. My messages 5986, December 10 and 6006, December 11⁶² give you background.

⁵⁸ Solomon A. Lozovski, Soviet Assistant Commissar for Foreign Affairs.

⁵⁹ Not printed.

⁶⁰ Soviet Ambassador in the United Kingdom.

⁶¹ Winston Churchill, British Prime Minister.

⁶² Latter not printed.

The last sentence of Department's 5868 of December 13 states: "You will realize, however, that air bases in the Far East are of urgent importance to us." My 4977, October 18,⁶³ contains the following: "Holding of Russian forces in Siberia would protect their airfields which might be of great strategic importance to us if there was trouble with Japan."⁶⁴

WINANT

761.94/1375 : Telegram

The Secretary of Embassy in the Soviet Union (Dickerson) to the Secretary of State

KUIBYSHEV, December 19, 1941—6 p. m.
[Received December 20—3: 48 a. m.]

2085. *Volskaya Kommuna* today publishes without comment a Tass despatch from Tokyo dated yesterday and briefly summarizing the speech of the Japanese Foreign Minister before the special session of Parliament. Togo is quoted as stating in respect of Soviet-Japanese relations that Japan has not altered its policy of assuring security in the north and that the Soviet Government has also repeatedly declared its intention of adherence to its neutrality pact with Japan.

DICKERSON

740.0011 European War 1939/17882 : Telegram

The Secretary of Embassy in the Soviet Union (Thompson) to the Secretary of State

Moscow, December 26, 1941—1 p. m.
[Received 7: 47 p. m.]

17. [From Thurston.⁶⁵] In the course of a conversation last evening General McFarlane⁶⁶ informed me that he has had several con-

⁶³ Not printed.

⁶⁴ Ambassador Winant (telegram No. 6147, December 19, 1941, 11 p. m., filed under 740.0011 European War 1939/17699), in reporting a four-hour conversation between Mr. Eden and Premier Stalin, said: "As regards the Far East, Stalin said he was sorry that in the present circumstances he was not now in a position to help us there." Mr. Winant added that he had received on December 19 "an additional special note" from Mr. Eden as follows: "Stalin's attitude about the Far East is perfectly loyal and in fact he stated that he would be in a position to help us there in the spring. He is, however, clearly determined not to provoke Japan at present and considers that he is not in a position to do so. In these circumstances I felt that it would not only be useless but also unwise to speak to him about the United States use of air bases in Siberia." Mr. Eden expressed regret that he had not been "able to do more."

⁶⁵ Walter Thurston, Chargé in the Soviet Union regularly stationed at Kuibyshev, was at this time in Moscow.

⁶⁶ Lt. Gen. F. N. Mason-McFarlane, head of British military mission in the Soviet Union, 1941.

versations with high Soviet authorities regarding the question of Soviet participation in the war against Japan and said that he had expressed to them the purely personal opinion that Soviet participation would be highly desirable from the Anglo-American viewpoint. He stated however that he recognized that the Soviet Union is not now in a position to engage in hostilities in the Far East and will not be until next spring. At the same time it is probable that owing to its preoccupation with the war in China and its new activities in the south as well as because of unfavorable winter weather conditions Japan is not in a position at present to attack Russia. The General added it must be presumed that the Japanese view the situation in somewhat the same manner and will take no action at present. As they probably also recognize the impossibility of maintaining a situation wherein two of the major powers on either side of the present world conflict are not themselves engaged in war they undoubtedly plan in due time to strike at the Soviet Union without warning. He has expressed the opinion to the Soviet authorities therefore that they should prepare themselves, endeavor to gauge the Japanese plan as accurately as possible and strike first.

[Here follow opinions as to German military plans.] Thurston.

THOMPSON

740.0011 European War 1939/17923 : Telegram

The Chargé in the Soviet Union (Thurston) to the Secretary of State

Moscow, December 27, 1941—1 p. m.

[Received December 27—11 : 33 a. m.]

19. Sir Stafford Cripps informed me this morning that he has resigned his post as Ambassador and plans to return to England. I inferred that he contemplates reentering political life there.

With respect to Japan, Cripps expressed the opinion that the Soviet Union is not now in a position to engage Japan successfully and that by entering the war in the Pacific it would weaken the effort against Germany. He added however that he believes that Russia will be at war with Japan within 3 months and implied that the Soviet Government both expects and desires that hostilities shall be initiated by the Japanese.

THURSTON

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