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1932

Volume III

THE FAR EAST

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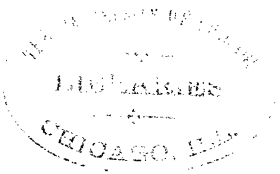
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LIST OF PERSONS

(Identification of a person in this list is limited to circumstances under reference in volumes III and IV. Names of persons which appear only in document headings or signatures are not included.)

AALL, N., Norwegian Consul General at Shanghai.

ABEND, Hallett, chief correspondent in China, *New York Times.*

ADACHI, Mineichiro, formerly Japanese Member, Permanent Court of International Justice, The Hague.

ADAMS, Walter A., Consul General at Hankow.

ADDIS, Sir Charles S., Representative, British Group, China Consortium, London.

AIHARA, Lieutenant Colonel Hiizu, Commandant, Japanese Legation Guard, Peiping.

ALDRICH, Lieutenant Harry S., Language Officer, Legation in China.

ALDROVANDI MARESCOTTI, Count Luigi, Italian Member, League of Nations (Lytton) Commission of Inquiry.

ALOISI, Baron Pompeo, Italian Representative, League of Nations Assembly, December.

ALPHAND, Charles, Chef de Cabinet, French Foreign Office (with rank of Minister).

AMAKASU, Masahiko, Japanese Councilor, Office of Chief Executive, "State of Manchoukuo."

ANDREW, G. Findlay, British Field Secretary, China International Famine Relief Commission.

APPONYI, Count Albert, Hungarian Representative, League of Nations Assembly.

ARAKI, Lieutenant General Sadao, Japanese Minister of War.

ARITA, Hachiro, Director, Asia Bureau, Japanese Foreign Office; Vice Minister for Foreign Affairs, May 26.

ARIYOSHI, Akira, Japanese Minister to China, July.

ARMOUR, Norman, Counselor of Embassy in France.

ARNHOLD, H. E., British Member, Municipal Council, International Settlement, Shanghai.

ARNOLD, Julean, Commercial Attaché, Legation in China.

ASHIDA, Dr. Hitoshi, formerly Counselor of Japanese Embassy in Belgium.

ASTOR, W. W., British Secretary to Chairman, League of Nations (Lytton) Commission of Inquiry.

ATHERTON, Ray, Counselor of Embassy in Great Britain.

AU SAN-LIN, General, Chinese Commander, area north of Shanghai, January–February.

AVENOL, Joseph, French Deputy Secretary General, League of Nations.

BAKER, Captain Charles, American master, motor lighter No. 2, Yangtze Rapid Steamship Company.

BALDWIN, Stanley A., British Lord President of the Council, Lord Privy Seal; Parliamentary Leader, Conservative Party.

BALFOUR, Arthur James, British Chief Delegate, Washington Conference, 1921–22.

BALLANTINE, Joseph W., Consul General at Canton.

BARRINGER, Thomas C., U. S. Trade Commissioner at Hong Kong.

BASSETT, Major Arthur, Chairman, American Central Committee on Evacuation, Shanghai, 1927, 1932.

BASSOMPIERRE, Baron Albert Marie Leon Adolphe de, Belgian Ambassador to Japan, *doyen* of Diplomatic Corps.

BATY, Dr. Thomas, British Adviser, Japanese Foreign Office.

BAUDET, Th., Third Secretary of French Legation in China.

BEALL, Dr. Jeannette, American missionary (Protestant), Laichowfu, Shantung.

BELL, A. D., British Member and Chairman, Municipal Council, International Settlement, Shanghai, April.

BELL, Major F. Hayley, British, Shanghai Volunteer Corps.

BENEŠ, Eduard, Czechoslovak Minister for Foreign Affairs; Representative, League of Nations Assembly.

BERTHELOT, Philippe, Political Director, French Foreign Office.

BIDDLE, Lieutenant William S., U.S.A., Personal Assistant to U. S. Member, League of Nations (Lytton) Commission of Inquiry.

BINGHAM, Hiram, U. S. Senator (Republican), Connecticut.

BLACKBURN, A. D., British Superintending Consul at Shanghai; later, Chinese Secretary, British Legation in China, Peiping.

BLAKESLEE, Dr. George H., Division of Far Eastern Affairs, Department of State; Special Assistant, Legation in China, and Counselor to General Frank R. McCoy, League of Nations (Lytton) Commission of Inquiry, February–September.

BLUMBERG, S., Lithuanian Assistant, Chinese Customshouse, Manchouli (Manchuria Station), to July.

BOONE, Lieutenant Ronald A., Language Officer, Legation in China.

BORAH, William Edgar, U. S. Senator (Republican), Idaho; Chairman, Senate Foreign Relations Committee.

BORGBJERG, Frederik, Netherlands Minister for Public Education; Representative, League of Nations Assembly.

BOUSQUET, Raymond, Second Secretary of French Embassy in United States.

BRENAN, John F., British Consul General at Shanghai.

BRIAND, Aristide, French Minister for Foreign Affairs to February 16; President, League of Nations Council.

BRITTON, T. C., Chairman, American Chamber of Commerce, Shanghai.

BROWN, Lieutenant Charles C., Language Officer, Legation in China.

BROWN, Don, American press correspondent in Japan.

BRUCE, W. M., Australian Representative, League of Nations Assembly.

BRUNING, Dr. Heinrich, German Chancellor, to May 30.

BRYAN, R. T., Jr., American Municipal Advocate, Municipal Council, International Settlement, Shanghai.

BUERO, Dr. Juan Enrique, Uruguayan Minister to Belgium and the Netherlands; Representative, League of Nations Assembly.

BULOW, Dr. Bernhard W. von, German Secretary of State for Foreign Affairs.

BURT, Colonel Reynolds J., commanding, U. S. 15th Infantry Regiment, Tientsin, July.

BYAS, Hugh, British chief correspondent in Japan, *New York Times* and the London *Times*.

CAHAN, Charles Hazlitt, Canadian Secretary of State for External Affairs; Representative, League of Nations Assembly, December.

CARNEY, J. W., American Member, Municipal Council, International Settlement, Shanghai.

CARR, Wilbur J., Assistant Secretary of State.

CASE, H. E., American Assistant General Manager, Yangtze Rapid Steamship Company; Branch Manager at Ichang.

CASTLE, William R., Jr., Under Secretary of State; Acting Secretary of State, April 8–May 14.

CECIL, Viscount Robert, British Representative, League of Nations Council, January.

CHAMBERLAIN, Sir Austen, British Secretary of State for Foreign Affairs, 1924–29; First Lord of the Admiralty, 1931.

CHAMBERLAIN, Culver B., Consul at Harbin.

CHANG CHEN, General, Chinese Commander, Changchow, Fukien, April.

CHANG CHIH-CHUNG, General, Director, Chinese Central Military Academy.

CHANG CHIH-KUO, Commander, Director, Yunnan Aviation Bureau.

CHANG CHING-HUI, General, Chinese Administrator, Harbin Special District; Head, Japanese-sponsored Heilungkiang Provincial Government at Tsitsihar (February 18); Chairman, Japanese-sponsored committee for northeastern provinces, February 17; Chairman, "Manchoukuo" Privy Council, March 10; Minister of Defense, April.

CHANG HAI-PENG, General, Chinese former Garrison Commissioner, Taonan, Manchuria; Commander, Japanese-sponsored force, south Manchuria; Member, "Manchoukuo" Privy Council, March 10; Chief Aide-de-Camp, Office of Chief Executive, "State of Manchoukuo."

CHANG HSUEH-LIANG (Hsiao-liang), Marshal, Director of Peace Preservation for North China, Peiping, December 1931–August 1932; Chairman, Peiping Political Council, to August; Member, Chinese Military Council, March 6; Acting Chairman, Peiping branch of same, September.

CHANG TSO-HSIANG, General, uncle of Marshal Chang Hsueh-liang; formerly Chairman, Kirin Provincial Government and Deputy Commander in Chief, Northeastern Frontier Defense.

CHANG TSO-LIN, Marshal, father of Marshal Chang Hsueh-liang; Head of Mukden Government and of Peking Government (assassinated June 1928).

CHANG WEI-CHEUNG (Hui-chang), General, Director, Canton Aviation Bureau, to May.

CHANG YU-TING, General, Chinese leader of "Volunteers", north Manchuria.

CHAO HSIN-PO, Dr., Japanese-sponsored Chinese Mayor of Mukden, October 20, 1931; Chief, "Manchoukuo" Legislative Council, March 10.

CHEN, Eugene (Yu-jen), Chinese Minister for Foreign Affairs at Canton, 1926, 1931, at Hankow, 1927, and at Nanking, December 1931–January 1932.

CHEN, K. P., Chairman, China Committee, International Chamber of Commerce.

CHEN CHI-LIANG, Admiral, commanding, Chinese 1st Naval Squadron, April.

CHEN CHI-TANG, General, Member, Chinese Military Council, March 6; Director of Peace Preservation, Canton, March.

CHEN KUNG-PO, Chinese Minister of Industries, January.

CHEN KUO-HUI, General, Chinese Commander, Chuanchow, Fukien, April.

CHEN MING-SHU, General, Chinese Garrison Commander, Shanghai-Nanking area, November 1931; Vice President, Executive Yuan (Vice Premier) and Minister of Communications, Chinese National Government, January–June; Member, Chinese Military Council, March 6.

CHEN TE-LU, Chinese Quartermaster, under Company Commander Liu Jun-hsü (Ekvall case).

CHEN TIEH-CHING, Chinese Commander of "Volunteers," Chuanchow, Fukien, April.

CHEN TZU-CHIEN, Chinese Chief Secretary, General Yang Hu-cheng's Pacification Headquarters, Sian.

CHEN WEI-CHING, Chinese chauffeur (Ekvall case).

CHENG, Dr. F. T., Chinese Vice Minister of Justice.

CHENG HSIAO-HSU, Chinese tutor of calligraphy to Manchu Emperor (see Pu-yi); Prime Minister, "State of Manchoukuo," March 9; Head, "Manchoukuo" State Affairs Council; Minister of Education.

CHENG JUN, Chinese Head of Kirin Provincial Government, Pinhsien.

CHI WANG (Prince Chi), Mongol Member, Japanese-sponsored committee for northeastern provinces, February 17; Chief, General Administration Office, Hsingan Province, "Manchoukuo" State Affairs Council.

CHIANG KAI-SHEK (Chung-cheng or Chieh-shih), Generalissimo, President, Chinese National Government, October 1928–December 16, 1931; Member, State Council, Chinese National Government and Standing Committee, Central Political Council, Kuomintang (Nationalist Party); Chairman, Chinese Military Council and Commander in Chief, National Army, Navy, and Air Forces, March 6.

CHIANG KUANG-NAI, General, Chinese Commander, Shanghai area, January–March.

CHIANG, Dr. Monlin, Chinese Chancellor, Peiping National University; Trustee, China Foundation for Promotion of Education and Culture.

CHIANG SHU-KWEI, Chinese Commander, 3d brigade, 3d Route Army, south Manchuria.

CHIANG (TSIANG) TSO-PING, General, Chinese Minister to Japan.

CHICHIBU-NO-MIYA, Prince Yashuhito, brother of Japanese Emperor Hirohito.

CHIN CHIH-LIU, Representative of Chinese Minister for Foreign Affairs (Ekvall case).

CHOY (TSAI TSENG-CHI), JUN KE, Commissioner of Finance, Chinese Municipality of Greater Shanghai.

CHU PEI-TEH, General, formerly Chief of Chinese General Staff and Member, State Council, Chinese National Government; Director, 1st department, Chinese Military Council.

CIANO DI CORTELLAZZO, Count Galeazzo, Italian Consul General at Shanghai; Chargé d'Affaires in China; Chairman, League of Nations Consular Committee at Shanghai; son-in-law of Premier Mussolini.

CLAUDEL, General Henri Edouard, French Member, League of Nations (Lytton) Commission of Inquiry.

CLAUDEL, Paul, French Ambassador to United States.

CLEVELAND, Dr. F. A., American Associate Chief Inspector, Chinese Salt Revenue Administration.

COLBAN, Erik, Norwegian Representative, League of Nations Council.

CONNOLLY, Joseph, Irish Representative, League of Nations Assembly, December.

COVILLE, Cabot, Consul at Harbin.

CRANE, Charles K., American researcher in narcotics.

CRANFORD, Lieutenant Thomas G., Assistant Military Attaché, Embassy in Japan.

CUNNINGHAM, Edwin S., Consul General at Shanghai; Senior Consul.

CURTIS, John L., Vice President, National City Bank of New York, Tokyo; General Manager for Japan and Manchuria.

DAN, Baron Takuma, Japanese Managing Director, Mitsui & Company.

DAVIS, Colonel Manton, General Attorney and Vice President, Radio Corporation of America.

DAVIS, Norman H., U. S. Delegate, General Disarmament Conference.

DAWES, General Charles G., Ambassador to Great Britain, to January 22.

DEBUCHI, Katsuji, Japanese Ambassador to United States.
DE VALERA, Eamon, Irish Representative and President, League of Nations Council, September.
DE VAULT, Charles L., Consul at Yokohama.
DICKOVER, Erle R., First Secretary of Embassy in Japan.
DOIHARA, Colonel Kenji, Japanese "Lawrence of Arabia" in China; Chief, Japanese Kwantung Army's Special Service section, Mukden, 1931, and Harbin, January–April; Major General, 95th Infantry Brigade in Japan, April.
DONALD, W. H., Australian Adviser to Marshal Chang Hsueh-liang; to Chinese Mayor at Shanghai.
DOOMAN, Eugene H., First Secretary of Embassy in Great Britain.
DRUMMOND, Sir Eric, Secretary General, League of Nations.
DRUMMOND-HAY, Lady Grace M., Hearst Press correspondent.
DRYSDALE, Lieutenant Colonel Walter S., Military Attaché, Legation in China (assigned March 11).
EDEN, Anthony, British Parliamentary Under Secretary of State for Foreign Affairs.
EDGE, Walter Evans, Ambassador to France.
EKVALL, Henry, American businessman.
ENGEBT, Cornelius Van H., First Secretary of Legation in China.
ENGLUND, William G., American missionary (Protestant), Sian.
FAN CHI-WU, Major General, Chief of Staff, Chinese 19th Route Army, Shanghai, January–February.
FANG SHENG-TAO, General, Chinese Chairman, Fukien Provincial Government.
FECHET, Major General James Edmond, Chief, U. S. Air Corps, to December 1931.
FEETHAM, Justice Richard, British Judge, Union of South Africa, employed by Municipal Council, International Settlement, Shanghai, to write special Report (1931–32).
FEIS, Dr. Herbert, Economic Adviser, Department of State.
FENG YU-HSIANG, Marshal, former Commander in Chief, Kuominchun (People's Army), north China; Member, State Council, Chinese National Government; Chinese Military Council, March 6.
FERGUSON, Dr. John C., American Adviser, President's Office, Republic of China, 1917–28; Adviser, Executive Yuan, Chinese National Government, since 1928.
FESSENDEN, Stirling, American Secretary General, Municipal Council, International Settlement, Shanghai.
FISCHER, Martin, Counselor of German Legation in China, at Peiping.
FISHER, James W., sales agent in Far East, Arrow Aircraft and Motors Corporation, Havelock, Nebraska; later, American Eastern Aviation Company, Hong Kong.
FITCH, George A., American General Secretary, Foreign Young Men's Christian Association, Shanghai.
FLEISHER, Benjamin Wilfrid, American founder-publisher, *Japan Advertiser* and *Trans-Pacific Magazine*, Tokyo.
FLEISHER, Wilfrid, correspondent in Japan, *New York Herald Tribune;* managing editor, *Japan Advertiser*, Tokyo.
FLEMING, Brigadier George, Commander, British Forces, Shanghai; Senior Officer (exclusive of Japanese), Foreign Defense Force, January 28.
FORBES, W. Cameron, Ambassador to Japan (resigned March 22).
FOULOIS, Major General Benjamin Delahauf, Chief, U. S. Air Corps, December 1931.
FRANKLIN, Lynn W., Consul at Amoy.
FUJII, Lieutenant Commander, Japanese Officer.

FUJIWARA, Homei, Japanese Chief, Postal Affairs Bureau, "Manchoukuo" Communications Department.

FUKUMOTO, Junzaburo, Japanese Commissioner, Chinese Customs, Dairen, discharged June; then "Manchoukuo" Commissioner of Customs.

FUSHIMI-NO-MIYA, Fleet Admiral Prince Hiroyasu, Chief, Japanese Navy General Staff, February; Supreme War Councilor; Member, Japanese Imperial Family.

GANIN, John, American businessman, Manchouli (Manchuria Station).

GARRELS, Arthur, Consul General at Tokyo.

GARRIDO Y CISNEROS, D. Justo, Spanish Minister to China; Senior Minister.

GARVIN, James Louis, British editor, the *Observer*, London.

GASSER, Colonel Lorenzo D., Commander, U. S. 31st Infantry Regiment, Shanghai, February.

GAUSS, Clarence E., Consul General at Tientsin, to June.

GENDA, Matsuzo, former Chief, Financial Section, Japanese Kwantung Government General; Chief, Customs Bureau, "Manchoukuo" Finance Department.

GEROW, Major Leonard T., U. S. 31st Infantry Regiment, Shanghai.

GERRARD, Major F. W., British Commissioner, Municipal Police, International Settlement, Shanghai.

GIBSON, Hugh Simmons, Ambassador to Belgium; Acting Chairman, U. S. delegation, General Disarmament Conference.

GILBERT, Prentiss B., Consul at Geneva.

GO, Baron Seinosuke, Japanese Chairman, Board of Directors, Tokyo Electric Light Company, Ltd.

GOETTE, John, correspondent in China, International News Service, New York.

GONDO, Seikyo, Japanese lecturer on politico-philosophical subjects.

GOTO, Fumio, Japanese Minister of Agriculture and Forestry, May 26.

GRANDI, Dino, Italian Minister for Foreign Affairs; Representative, League of Nations Council; Ambassador to Great Britain, July.

GRANZOW, O., Russian engineer, China International Famine Relief Commission.

GREEN, Leonard N., Consul at Swatow.

GREW, Joseph Clark, Ambassador to Turkey; Ambassador to Japan (appointed February 19).

GULICK, Colonel Louis M., U.S.M.C. Commandant, U. S. Legation Guard, Peiping; Senior Commandant, Foreign Legation Guards.

HAAS, Robert, French Director, League of Nations Secretariat; Secretary General, League of Nations (Lytton) Commission of Inquiry.

HAILSHAM, Viscount Douglas, British Secretary of State for War.

HALL, Monroe B., Vice Consul at Mukden.

HAMAGUCHI, Yuko, Japanese President, Minseito; Prime Minister, July 2, 1929–April 14, 1931.

HAMILTON, General Sir Ian (Standish Monteith), retired British Army Officer.

HAMILTON, Maxwell M., Assistant Chief, Division of Far Eastern Affairs, Department of State.

HAN FU-CHU, General, Chinese Chairman, Shantung Provincial Government.

HAN HUI-JUNG, General, Chinese Chief of Staff to General Chang Chen, Changchow, Fukien.

HANG YI, Colonel, Representative of Generalissimo Chiang Kai-shek (Ekvall case).

HANSON, George C., Consul General at Harbin.

HARADA, Baron Kumao, Japanese Private Secretary to Prince Saionji.

HARATA, Colonel, Japanese Member, joint commission at Shanghai, May.

HARD, William, American journalist and radio commentator, Geneva.

HARPER, Wallace, Jr., Wallace Harper Company, Ltd., Hong Kong, sales agent for American aircraft.

HARRIMAN, Edward Henry, American railroad builder (died 1908).

HASHIMOTO, Tetsuma, Leader, Shiunso (semisecret, reactionary Japanese organization), founded 1924.

HASHIMOTO, Major General Toranosuke, Japanese Kwantung Army Chief of Staff, Manchuria.

HATOYAMA, Ichiro, Japanese Member, Seiyukai; Minister of Education, December 1931.

HAYASHI, Baron Gonsuke, Japanese Grand Master of Ceremonies.

HAYASHI, Kyujiro, Japanese Consul General at Mukden; Ambassador to Brazil, January.

HENRY, Jules, Counselor of French Embassy in United States.

HERRIDGE, William Duncan, Canadian Minister to United States.

HERRIOT, Edouard, President, French Council of Ministers; Minister for Foreign Affairs, June 7–December 14.

HIAM, Colonel T. A., Assistant to Chairman, Canadian National Railways; Technical Adviser, League of Nations (Lytton) Commission of Inquiry.

HINES, Major General John L., commanding, U. S. Army, Philippine Department.

HIRANUMA, Baron Kiichiro, Vice President, Japanese Privy Council; President, Kokuhonsha (Japanese nationalist group).

HIROHITO, Showa Emperor of Japan, 1926.

HIROSE, Lieutenant General Jusuke, Japanese Commander, 10th Division, Harbin, April.

HIROTA, Koki, Japanese Ambassador to the Soviet Union.

Ho CHENG-CHUN, General, Chinese Chairman, Hupeh Provincial Government, to March; Commander in Chief for bandit suppression, Hupeh, March .

Ho CHIEN, General, Chinese Chairman, Hunan Provincial Government.

Ho I-SAN, General, Chinese Commander, Chefoo, December.

Ho YING-CHIN, General, Chinese Minister of War (Military Affairs), January.

HONJO, Lieutenant General Shigeru, Commander in Chief, Japanese Kwantung Army in Manchuria, to August; Supreme War Councilor, August.

HOOKER, Colonel R. S., U.S.M.C., Commandant, U. S. 4th Regiment, Shanghai.

HOOVER, Herbert Clark, President of the United States, 1929–33.

HORNBECK, Dr. Stanley K., Chief, Division of Far Eastern Affairs, Department of State.

HOSHINO, Naoki, former Chief, Indirect Taxation Section, Revenue Superintendence Office, Tokyo; Chief, Bureau of General Affairs, Tokyo; Chief, Bureau of General Affairs, "Manchoukuo" Finance Department.

HOWARD, Edward P., U. S. Trade Commissioner at Shanghai.

HOYT, Lansing, President, Yangtze Rapid Steamship Company.

HSI CHIA (Hsi Hsia), General, Chinese Acting Chairman, Kirin Provincial Government, September 1931; Head, Japanese-sponsored Kirin Provincial Government; Member, Japanese-sponsored committee for northeastern provinces, February 17; "Manchoukuo" Minister of Finance, March 9.

HSI, T. C., Chinese Chief, Engineering and Labor Relief Division, National Flood Relief Commission of China.

HSIA TOU-YING, General, Chinese Chairman, Hupeh Provincial Government, April.

HSIEH CHIEH-SHIH, "Manchoukuo" Minister for Foreign Affairs, March 9.

HSING SHIH-LIEN, General, Chinese Member, Liaoning (Fengtien) Provincial Government, to 1931.

HSU MO, Dr., Chinese Vice Minister for Foreign Affairs, February.

HSU TA-SHAN, Chinese Commander, 8th Route Army, south Manchuria.

HU HAN-MIN, Member, Standing Committee, Central Political Council, Kuomintang (Chinese Nationalist Party).

HUANG HSIN-SHENG, General, Chinese former chief of police activities, Mukden; Commander, 2d Cavalry Brigade, Kalgan.

HUANG KUANG-JUI, General, Chinese Director, Canton Aviation Bureau.

HUANG SHAO-HSIUNG, Chinese Minister of Interior.

HUANG, W. F., Chinese businessman (Ekvall case).

HUBER, Max, Swiss Representative, League of Nations Assembly.

HUGHES, Charles Evans, Secretary of State, 1921–25; Chairman, Washington Conference, 1921–22; Chief Justice of Supreme Court, 1930–41.

HUNTER, Edward, correspondent in Manchuria, International News Service, New York.

HYAKUTAKE, Lieutenant Colonel Seikichi, Chief, Japanese military mission, Harbin.

HYMANS, Paul, Belgian Minister for Foreign Affairs; President, Committee of Nineteen, League of Nations Assembly.

IGUCHI, Sadao, Japanese Consul at Shanghai.

II KAMON-NO-KAMI, Chief Minister, Japanese Shogunate (assassinated March 24, 1860).

IKEDA, Seihin, Japanese Managing Director, Mitsui Bank.

IKKI, Dr. Kitokuro, Japanese Minister of Imperial Household.

INGRAM, E. M. B., Counselor of British Legation in China.

INOUYE, Dr. Junnosuke, former Japanese Minister of Finance.

INOUYE, Marquis Kaoru, Member of Japanese Cabinets and Minister for Foreign Affairs in Meiji era.

INOUYE, Nissho, Japanese priest.

INUKAI, Ki (Tsuyoshi), Japanese Head, Seiyukai; Prime Minister, December 13, 1931–May 15, 1932.

ISAACS, Harold R., American writer and publisher, Shanghai.

ISHII, Itaro, Japanese Consul General at Shanghai.

ISHII, Viscount Kikujiro, Japanese Minister for Foreign Affairs, 1915–16; Special Plenipotentiary to United States, 1917; Privy Councilor, 1929.

ISHIMOTO, Gonshiro, Japanese Army Officer.

ISHIWARA (Ishihara), Lieutenant Colonel Tsunetaro, Japanese Kwantung Army, 1931.

ITAGAKI, Major General Seishiro, Japanese Kwantung Army, 1929–31; Personal Adviser to "Manchoukuo" Chief Executive Pu-yi; Chief, Japanese military mission, Mukden, October.

ITO, Prince Hirobumi, Japanese Genro and Prime Minister of Meiji era (assassinated 1909).

JACOBS, Joseph E., Division of Far Eastern Affairs, Department of State.

JACQUINOT DE BESANGE, R., Roman Catholic priest, Church of the Sacred Heart, Shanghai; Major and Chaplain, Shanghai Volunteer Corps.

JENKINS, Douglas, Consul General at Hong Kong.

JOHNSON, Captain Isaac C., Jr., Naval Attaché, Embassy in Japan.

JOHNSON, Nelson Trusler, Minister to China.

JONES, P. Grant, Assistant Judge, British Supreme Court in China.

JOSSELYN, Paul R., Consul at Shanghai.

JUNG CHEN, General, last Chinese Commander at Chinchow (Chinhsien).

KABAYAMA, Count Aisuke, Member, Japanese House of Peers.

KANAI, Chief, Foreign Affairs Section, Japanese Kwantung Government General.

KANAYA, General Hanzo, Chief, Japanese Army General Staff, to December 1931; Supreme War Councilor.

KANEKO, Viscount Kentaro, Japanese Privy Councilor.

KAN-IN-NO-MIYA, Field Marshal Prince Kotohito, Chief, Japanese Army General Staff, December 23, 1931; Member, Japanese Imperial Family.

KAO CHI-YI, General, Chinese former Member, Liaoning (Fengtien) Provincial Government and Vice Chairman, Northeastern Communications Commission; Managing Director, Peiping-Mukden Railway.

KAO CHING-CHENG (Wei-yi), Chinese Militia Commander, Sanchiao, Shensi (Ekvall case).

KARAKHAN, Lev Mikhailovich, Soviet Vice Commissar for Foreign Affairs.

KATO, Admiral Kanji, formerly Chief, Japanese Navy General Staff; Supreme War Councilor.

KATO, Sotomatsu, Counselor of Japanese Embassy in United States.

KAWAKAMI, K. K., Japanese press correspondent and author in United States.

KAWASAKI, Torao, Japanese Chief, Bureau of Information and Publicity, "Manchoukuo" Foreign Affairs Department.

KEEN, Victor, correspondent at Shanghai, *New York Herald Tribune.*

KELLY, Admiral Sir W. A. Howard, Commander in Chief, British Naval Squadron, China Station.

KENG SHOU-PU, Chinese Secretary General, Shensi Provincial Government.

KETCHAM, John B., Consul at Taihoku, Taiwan (Formosa).

KINNEY, Henry W., American employee, Japanese South Manchuria Railway Company.

KIRK, Alexander C., Counselor of Embassy in Italy.

KLOTS, Allen T., Special Assistant to the Secretary of State.

KNOX, Philander Chase, Secretary of State, 1909–13.

KOBAYASHI, Colonel J., Japanese Army General Staff Agent to obtain military supplies in France.

KODAMA, Yoshio, Japanese Leader, Dokuritsu Seinensha (Independent Youth Society).

KOHAMA, Kiyokane, Chief, Bureau of Interior and Acting Director General of Administration, Japanese Government General of Taiwan (Formosa).

KOIZUMI, K., Japanese traveler (Ekvall case).

KOMAI, Tokuzu, Adviser (with rank of Lieutenant General), Japanese Kwantung Army Headquarters; Chief, General Affairs Board, "Manchoukuo" State Affairs Council, March–October; "Manchoukuo" Privy Councilor, October.

KOMATSU, Takashi, Japanese Managing Director, Asano Shipbuilding Company, Ltd.

KOMATSUBARA, Colonel Y., Chief, Japanese military mission, Harbin, April 28.

KOO, Dr. V. K. Wellington, Chinese Minister for Foreign Affairs, 1922–24, 1926–27, December 1931; Chinese Assessor, League of Nations (Lytton) Commission of Inquiry; Chinese Minister to France, October; Representative, League of Nations Council, November.

KOTANI, Lieutenant S., Japanese Navy airman.

KOTZE, Baron Hans Ulrich von, German Assistant to Under Secretary General in charge of International Bureaux, League of Nations; to League of Nations (Lytton) Commission of Inquiry Secretariat.

KOUZNETSOV, S. M., Soviet Vice President, Chinese Eastern Railway Company.

KOYAMA, Matsukichi, Japanese Minister of Justice, May 26.

KU MENG-YU, Chinese Minister of Railways, March.

KUEI-FU, Prince, Mongol Administrator (Fututung), Hailar, Heilungkiang (Barga); Member, "Manchoukuo" Privy Council, March 10.

KUNG, Dr. H. H., Member, State Council, Chinese National Government; Special Industrial Commissioner to United States and Europe.

KUNG, Dr. W. G. Anching, First Secretary of Chinese Legation in United States.

KUWASHIMA, Kazue, Japanese Consul General at Tientsin.

LAGARDE, E., Counselor of French Legation in China.

LAMMERS, Commander Howard M., Island Governments and Central Division, Office of Naval Operations, Navy Department.

LAMONT, Thomas W., Partner, J. P. Morgan & Company, New York; Representative, American Group, China Consortium.

LAMPSON, Sir Miles W., British Minister to China.

LANGE, Christian L., Norwegian Representative, League of Nations Assembly, December.

LAVAL, C. J., American acting editor, *Far Eastern Review*, Shanghai.

LAVAL, Pierre, President, French Council of Ministers; Minister for Foreign Affairs, to February 16.

LAYTON, Captain G., Chief of Staff, H.M.S. *Kent*, flagship of British Naval Squadron, China Station.

LEE, Dr. Chinglun Frank W., Chinese Vice Minister for Foreign Affairs, 1931; on special mission to United States, June.

LEGER, Alexis, Vice Political Director, French Foreign Office.

LESTER, Sean, Irish representative, League of Nations Council and Assembly.

LEVI, Daniel, French Consul at Yunnanfu.

LI, C. H., Chinese Chairman, Shanghai Universities' Union.

LI CHAI-SUM (Chi-shen), Marshal, former Chief of Staff, Chinese revolutionary forces; Inspector General of Military Training, Nanking.

LI CHIH-KANG, Chinese Director, Bureau of Civil Affairs, Shensi Provincial Government.

LI CHUNG-JEN, General, Member, Chinese Military Council, March 6; Director of Peace Preservation, Nanning, Kwangsi, April.

LI HAI-CHING, General, Chinese Officer, northern Manchuria.

LI LIEH-CHUN, General, Member, State Council, Chinese National Government, January; Member, Chinese Military Council, March 6.

LI MING, Chinese Chairman, Shanghai Bankers' Association.

LI SHAO-KENG, Chinese Acting President, Chinese Eastern Railway Company, January; later President.

LI TSZE, General, Chinese Officer, northern Manchuria.

LI TU, General, Chinese Commander, Kirin.

LI YU-SHU, Chinese "Volunteer" Commander, Amoy.

LIN, Admiral K. K., Chinese Commissioner of Naval Defense Forces for Amoy and Changchow.

LIN SEN (Shen), President, Chinese National Government, December 1931.

LINDLEY, Sir Francis, British Ambassador to Japan.

LINDSAY, Sir Ronald Charles, British Ambassador to United States.

LING KONG-HOU, Chairman, Associated Chambers of Commerce of China, Shanghai.

LING SHENG, Mongol Member, Japanese-sponsored committee for northeastern provinces, February 17; Governor, "Hsingan north subprovince," Hailar, June 2; son of Prince Kuei-fu.

LITVINOV, Maxim, Soviet Commissar for Foreign Affairs.

LIU CHEN-NIEN, General, Chinese officer in charge of Chefoo district, to December.

LIU JUN-HSU, Chinese Commander, special company, 3d Brigade, Shensi Garrison (Ekvall case).

LIU SHIH-SHUN, Director, Department of European and American Affairs, Chinese Foreign Office.

LO CHENG-YU, Chinese Member, "Mauchoukuo" Privy Council, March 10.

LO WEN-KAN, Dr., Chinese Minister of Justice and Minister for Foreign Affairs, January 28.

LOCKHART, Frank P., Consul General at Tientsin.

LONDONDERRY, Marquess of, British Secretary of State for Air; Representative, League of Nations Council, February.

LU, C. S., Chinese Chairman, Shanghai Labor Union.

LU MU-TING, Chinese former Director, Bank of the Three Eastern Provinces (Manchuria).

LUNG YUN, General, Chinese Chairman, Yunnan Provincial Government.

LYON, Cecil B., Vice Consul at Hong Kong.

LYTTON, Edward Robert Bulwer, The Earl of, British Member and Chairman, League of Nations (Lytton) Commission of Inquiry.

MA CHAN-SHAN, General, Chinese Commander, Acting Chairman, Heilungkiang Provincial Government, November 1931; Head, Japanese-sponsored Heilungkiang Provincial Government, Tsitsihar; Member, Japanese-sponsored committee for northeastern provinces, February 17; "Manchoukuo" Minister of War, March 9; Chairman, Heilungkiang Provincial Government (Chinese), Heiho, April; Leader, Chinese "Volunteers", north Manchuria, to December.

MA LUNG-SHAN, Chinese agent for Japanese, Manchuria.

MACARTHUR, General Douglas, Chief of Staff, U. S. Army.

MCCAULEY, Commander Cleveland, Division Commander, U. S. Asiatic Fleet; assigned Naval Attaché, Legation in China, April 5.

MCCOY, Major General Frank R., U.S.A., U. S. Member, League of Nations (Lytton) Commission of Inquiry, January.

MCDONALD, James G., Chairman of Board, Foreign Policy Association, Inc., New York.

MACDONALD, J. Ramsay, British Prime Minister.

MCILROY, Lieutenant Colonel James G., Military Attaché, Embassy in Japan.

MACKAY, Raymond C., Division of Far Eastern Affairs, Department of State.

MACKILLOP, Douglas, Acting Head, Far Eastern Department, British Foreign Office.

MACNAGHTEN, Brigadier General E. B., British Member and Chairman, Municipal Council, International Settlement, Shanghai, to April.

MACWHITE, Michael, Irish Minister to United States.

MADARIAGA, Salvador de, Spanish Representative, League of Nations Council and Assembly.

MAKINO, Count Shinken, Japanese Minister for Foreign Affairs, 1913–14; Minister of Imperial Household, 1921–25; Lord Keeper of Privy Seal.

MARCHETTI DI MURIAGLO, Count Alberto, Counselor of Italian Embassy in United States.

MARRINER, James Theodore, Counselor of Embassy in France.

MARTEL, Count Damien de, French Ambassador to Japan.

MARTINO, Nobile Giacomo de, Italian Ambassador to United States.

MASSENET, Alfred, French Director, Franco-Asiatic Bank, Paris.

MASSIGLI, René, French Representative, League of Nations Council and Assembly.

MATOS, José, Guatemalan Permanent Delegate, League of Nations; Acting President, League Council.

MATSUBARA, Colonel Ko, Head, Japanese mission to negotiate with General Su Ping-wen on Soviet territory.

MATSUDAIRA, Tsuneo, Japanese Ambassador to Great Britain; Japanese First Delegate, League of Nations Special Assembly, March 3–April 14.

MATSUKATA, Marquis Masayoshi, Japanese Genro and Prime Minister of Meiji era.

MATSUOKA, Yosuke, Japanese former Vice President, South Manchuria Railway Company; Japanese Chief Delegate, League of Nations Council and Assembly, November.

MAYER, Captain William, Language Officer, Legation in China.

MAZE, Sir Frederick W., British Inspector General, Chinese Maritime Customs Administration.

MEI (Yi-chi), Y. C., President, Tsing Hua University, Peiping.

MELLON, Andrew W., Ambassador to Great Britain, February 5.

MEYER, Paul W., Consul at Nanking.

MILLARD, Dr. Thomas F., American journalist and author; Adviser to Chinese National Government.

MINAMI, Hiroshi, Japanese Member, Seiyukai; Minister of Communications, May 26.

MINAMI, General Jiro, Japanese Minister of War, to December 1931; Supreme War Councilor.

MITSUCHI, Chuzo, Japanese Member, Seiyukai; former Minister of Communications; Minister of Railways, May 26.

MIYAKE, Major General Mitsuji, Chief of Staff, Japanese Kwantung Army, Manchuria, 1931; Director, Japanese Military Training Department.

Mo TEH-HUI, Chinese President, Chinese Eastern Railway Company, to March; Head, Chinese Delegation, Chinese-Soviet Conference, Moscow.

MOH, H. Y., Chinese Chairman, Shanghai Exchanges Association.

MOLOTOV, Viacheslav Mikhailovich, President, Soviet Council of People's Commissars (Premier).

MOORE, Frederick, American foreign correspondent; Foreign Counselor, Japanese Foreign Office, 1921–26; Adviser, Japanese Delegation, League of Nations, November.

MORESCO, E., formerly Vice President, Council of the Netherlands Indies; Representative, League of Nations Assembly, December.

MORI, Kaku, Seiyukai Member, Japanese House of Representatives.

MORISHIMA, Morito, Japanese Acting Consul General at Mukden; later Consul General at Harbin.

MOSES, George H., U. S. Senator (Republican), New Hampshire; President pro tempore of the Senate.

Moss, George Sinclair, British Acting Consul at Weihaiwei; Technical Adviser, League of Nations (Lytton) Commission of Inquiry.

MOTTA, Giuseppe, Head, Swiss Political Federal Department; Representative, League of Nations Assembly.

MURAI, Kuramatsu, Japanese Consul General at Shanghai; at Sydney, August.

MURRAY, E. Lee, Clerk, Legation in China.

MUSSOLINI, Benito, Italian Prime Minister (Il Duce).

MUTO, General Nobuyoshi, Japanese Special Plenipotentiary (with rank of Ambassador) to "Manchoukuo;" Commander in Chief, Japanese Kwantung Army, Governor General of Kwantung, August; Ambassador to "Manchoukuo," December 1.

MUTSUHITO, Emperor of Japan, 1867–1912 (Meiji era, 1868–1912).

MYERS, Myrl S., Consul General at Mukden.

NAGAI, Matsuzo, Japanese Vice Minister for Foreign Affairs, to May.

NAGAI, Ryutaro, Japanese Chief Secretary, Minseito; former Parliamentary Vice Minister for Foreign Affairs; Overseas Minister, May 26.

NAGAOKA, Shunichi (Haruichi), Japanese Ambassador to France; Representative, League of Nations Assembly.

NAGGIAR, Paul-Emile, Chief, Far Eastern Section, French Foreign Office.

NAKADA, O., Japanese in charge of "Manchoukuo" salt revenue administration.

NAKAJIMA, Baron Kumakichi, Japanese Minister of Commerce and Industry, May 26.

NAKAMURA, Captain Shintaro, Japanese Army officer in mufti (killed June 1931).

NELSON, Bert N., American missionary (Protestant) in China.

NELSON, Captain Fred C., U. S. Army, Philippine Department, Manila.

NEURATH, Baron Constantin H. K. von, German Minister for Foreign Affairs, June 2; Representative, League of Nations Assembly, December.

NEVILLE, Edwin L., Counselor of Embassy in Japan.

NIMMER, Captain David R., Language Officer, Legation in China.

NINOMIYA, Major General Harushige, Commander of Gendarmes (military police), Japanese Kwantung Army, Manchuria.

NISHIYAMA, Masai, formerly Director, Bureau of Religion, Japanese Ministry of Education; Chief, General Affairs Bureau, "Manchoukuo" Education Department, August.

NITOBE, Dr. Inazo, Japanese author and lecturer.

NOMURA, Vice Admiral Kichisaburo, commanding, Japanese 3d Squadron, Yangtze area, February; Commander in Chief, Yokosuka Naval Station, October.

NYHUS, Mr. and Mrs. Arthur E., American missionaries (Protestant) in China.

OHASHI, Chuichi, Japanese Consul General at Harbin; Director, General Affairs Department, "Manchoukuo" Foreign Affairs Department, March; "Manchoukuo" Vice Minister for Foreign Affairs, June.

OHRNBERGER, E. J., Deputy Commissioner of Chinese Customs, Harbin, to July.

OKADA, Admiral Keisuke, Japanese Minister of Navy, 1927–29; again May 26, 1932.

OKAZAKI, K., Japanese Consul at Shanghai and Third Secretary of Legation in China.

OLDS, Robert E., Under Secretary of State, 1927–28; Counsel, Chinese Delegation, League of Nations, 1931–32.

ORDE, Charles William, Counselor and Head, Far Eastern Department, British Foreign Office.

OSBORNE, Francis d'Arcy Godolphin, Counselor of British Embassy in United States.

O'SHEA, John A., Bishop, American Catholic Mission, Kanchow, Kiangsi.

OZAKI, Yukio, veteran Japanese politician touring Europe.

PADOUX, Dr. Georges, French Adviser, Chinese National Government.

PAO KUAN-CHEN, Chinese Mayor of Japanese-sponsored Harbin municipality, February; "Manchoukuo" Diplomatic Representative in Japan, September.

PAUL-BONCOUR, Joseph, French Representative, League of Nations Council and Assembly; Minister for Foreign Affairs, December.

PU-YI, Manchu Hsuan-tung Emperor of China, 1908–12; "Manchoukuo" Chief Executive, March 9.

QUO TAI-CHI, Chinese Vice Minister for Foreign Affairs; Minister to Great Britain, August 9; Member, Chinese Delegation, League of Nations.

RADEK, Karl, Soviet editorial writer, Moscow *Pravda*.

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RAMEL, Baron S.G.F.T., Swedish Minister for Foreign Affairs; Representative, League of Nations Assembly.

RAVEN, Frank J., U. S. Member, Municipal Council, International Settlement, Shanghai.

RAY, Marcel, Assistant Chef de Cabinet, French Foreign Office.

REA, George Bronson, American editor and publisher, *Far Eastern Review*, Shanghai; counselor, "Manchoukuo" government.

REED, Charles S., 2d, Vice Consul at Yunnanfu.

REED, David Aiken, U. S. Senator (Republican), Pennsylvania.

REIFSNIDER, Charles S., American suffragan bishop, North Tokyo, Protestant Episcopal Church.

REMILLARD, Horace, Consul at, Port Said.

REYNOLDS, Lincoln C., Vice Consul at Nanking.

RICE, Captain Paul H., commanding, U.S.S. *Tulsa*, U. S. Asiatic Fleet.

RIDDELL, Dr. Walter A., Canadian Advisory Officer, League of Nations.

RINGWALT, Arthur R., Vice Consul at Shanghai.

ROGERS, James Grafton, Assistant Secretary of State.

ROOSEVELT, Theodore, President of the United States, 1901–1909.

ROOSEVELT, Colonel Theodore, Jr., Governor General, Philippine Islands.

ROS, G., Honorary First Secretary of Italian Legation in China.

ROSSO, Augusto, Italian Representative, League of Nations Council and Assembly.

ROZOFF, T. M., Assistant, Chinese Customshouse, Harbin, to July.

RUDY, J. V., Soviet General Manager, Chinese Eastern Railway.

SAIONJI, Prince Kimmochi, surviving Japanese Genro and Prime Minister of Meiji era; Member, House of Peers.

SAITO, Hirosi, Counselor of Japanese Embassy in Great Britain; Delegate, League of Nations Special Assembly, March; Counselor of Embassy in United States.

SAITO, Admiral Viscount Makoto, Japanese Governor General of Chosen (Korea), 1919, 1929–31; Japanese Prime Minister, May 26; concurrently Minister for Foreign Affairs, May 26–July 6.

SAKATANI, Kiichi, Japanese Head, General Affairs Bureau, "Manchoukuo" Finance Department; Vice Chief, General Affairs Board, "Manchoukuo" State Affairs Council; Chairman, "Manchoukuo" Commission for Liquidation of Claims.

SALISBURY, Laurence E., Division of Far Eastern Affairs, Department of State.

SANDS, H., British missionary (Roman Catholic) in China.

SATO, Naotake, Japanese Ambassador to Belgium; Representative, League of Nations Council.

SAWADA, Setsuzo, Japanese Minister and Director, Japanese League of Nations Office at Geneva.

SCHJOTH, Erik T., Norwegian Assistant in Charge, Chinese Customshouse, Manchouli (Manchuria Station), to July.

SCHNEE, Dr. Heinrich, German Member, League of Nations (Lytton) Commission of Inquiry.

SCHROEDER, C. E., Belgian Representative in Far East, Fabrique National des Armes de Guerre.

SELLETT, Dr. George, U. S. District Attorney, Shanghai.

SEMENOFF, Atamen, White Russian political exile.

SEXTON, Rear Admiral Walton R., Assistant Chief of Naval Operations, Navy Department.

SHANG CHEN, General, Chinese Chairman, Shansi Provincial Government; Commander, 32d Army, 1931.

SHAO LIN, Chinese Chief, Japanese-sponsored Harbin branch, Kirin Provincial Foreign Office.

SHECKLEN, George F., Representative at Shanghai, Radio Corporation of America.

SHIDEHARA, Baron Kijuro, Japanese Minister for Foreign Affairs, 1924–27, July 1929–December 11, 1931; Member, Minseito.

SHIGEMITSU, Mamoru, Japanese Minister to China.

SHIH CHING-YANG, Chinese Chairman, Mongolian and Tibetan Affairs Commission, Nanking.

SHIMAMOTO, Major General, Japanese Officer at Shanghai, February.

SHIOZAWA, Rear Admiral Koichi, Japanese Senior Officer at Shanghai; Chief of Staff to Vice Admiral K. Nomura, February.

SHIRAKAWA, General Yoshinori, Chief, Japanese Land Forces, Shanghai area, March–April.

SHIRATORI, Dr. Kurakichi, Member, Japanese Imperial Academy; emeritus professor, Tokyo Imperial University.

SHIRATORI, Toshio, Director, Bureau of Information and Intelligence, Japanese Foreign Office.

SHORT, Robert M., American lieutenant, Chinese Air Force.

SIMON, Sir John, British Secretary of State for Foreign Affairs; Representative, League of Nations Council and Assembly.

SIMPSON, Sir John Hope, British Director General, National Flood Relief Commission, China.

SKINSNES, Dr. Casper C., American missionary (Protestant), Sinyangchow, Honan.

SMEDLEY, Agnes, American writer and traveler.

SMITH, F. L., Commissioner, Chinese Postal Service, Harbin.

SMYTH, Robert Lacy, Consul at Shanghai.

SOONG, T. V., Chinese Minister of Finance, 1928–31; again January 29, 1932; Vice President, Executive Yuan (Vice Premier), Chinese National Government, January 29; Acting President of same, August.

SOULE, Lieutenant Robert H., Language Officer, Legation in China.

SOVIK, Mrs. Erik, American missionary (Protestant).

STANTON, Edwin F., Second Secretary of Legation in China.

STEVENS, Harry E., Consul at Yunnanfu; at Tsinan, April.

STEVENS, Colonel John F., U. S. Chairman, Advisory Commission of Railway Experts to Russia, 1918; President, Inter-Allied Technical Board to operate Chinese Eastern and Siberian Railways, 1919.

STIMSON, Henry L., Secretary of State; Chairman, U. S. Delegation, General Disarmament Conference.

STIRLING, C. N., Second Secretary of British Legation in China.

STROEBE, Colonel George G., U. S. Chief Survey Engineer, Yangtze River Commission, Nanking.

STURGEON, Leo D., Consul at Tokyo.

SU PING-WEN, General, Chinese Commander, guard troops, Chinese Eastern Railway, Hailar.

SUDO, Japanese Adviser, Bank of the Three Eastern Provinces (Manchuria).

SUGIHARA, formerly Secretary, Japanese Consulate General, Harbin; Assistant to "Manchoukuo" Commissioner of Foreign Affairs, Harbin.

SUGIMURA, Yotaro, Japanese Under Secretary General, League of Nations.

SUMA, Yakichiro, First Secretary of Japanese Legation in China, at Shanghai.

SUN FO (Ke), Dr., Son of Dr. Sun Yat-sen; President, Executive Yuan (Premier), Chinese National Government, December 1931–January 1932.

SUN YAT-SEN (Wen or Chung-shan), Dr., Chinese revolutionary (republican) leader; Provisional President at Nanking, January 1, 1912 (to abdication of Manchu Emperor and succession of Yuan Shih-kai in February); Head of Canton governments subsequently.

SUN YU-JU, General, Chinese Commander, 17th Division, Kansu.

SUVICH, Fulvio, Italian Under Secretary of State for Foreign Affairs.

SUZUKI, Dr. Hideo, Japanese President, Seiyukai, succeeding Ki Inukai.

SWANSON, Claude A., U. S. Senator (Democrat), Virginia; Delegate, General Disarmament Conference.

SWEETSER, Arthur, U. S. Member, Information Section, League of Nations.

SZE, Dr. Sao-ke Alfred, Chinese Minister to Great Britain, 1929–32; Representative, League of Nations Council, 1931.

TAI CHI, Lieutenant General, Chinese Garrison Commander, Shanghai area.

TAKAHASHI, Korekiyo, Japanese Minister of Finance, December 1931.

TAKAMATSU-NO-MIYA, Prince Nobuhito, brother of Japanese Emperor Hirohito.

TAKEDA, Yenji, Japanese Executive Secretary, America-Japan Society, Tokyo.

TAKIGAWA, K., Japanese Vice Consul at Harbin.

TALBOT, R. M., American Commissioner, Chinese Customs, Antung, to June 29.

TAMON, Lieutenant General Jiro, Japanese Commander, Harbin.

TANAKA, General Baron Giichi, Japanese President, Seiyukai; Prime Minister, April 1927–July 1929.

TANAKA, Count Koken, former Minister of Japanese Imperial Household.

TANG CHU-WU, Colonel, formerly Commander, Chinese 1st Regiment, Fengtien Army, Mukden; "Volunteer" Leader, south Manchuria.

TANG YU-LIN, General, Chinese Chairman, Jehol Provincial Government.

TANIGUCHI, Admiral Naozane, Chief, Japanese Navy General Staff, to February 1.

TARDIEU, André, French Representative, League of Nations Council; President, French Council of Ministers, Minister for Foreign Affairs, February–June.

TASHIRO, Major General K., Chief of Staff, Japanese Army forces, Shanghai.

TAYLOR, Colonel James D., commanding, U. S. 15th Infantry Regiment, Tientsin, to May.

TAYLOR, Admiral Montgomery M., Commander in Chief, U. S. Asiatic Fleet.

TEICHMAN, Eric, Chinese Secretary of British Legation in China.

TENNEY, Captain Parker G., Assistant Military Attaché, Legation in China.

TEUSLER, Dr. Rudolf B., Director, St. Luke's Hospital (Protestant Episcopal Mission), Tokyo.

TE WATER, Charles Theodore. (*See* Water, Charles Theodore te.)

THOMAS, James Henry, British Secretary of State for the Dominions; Representative, League of Nations Council.

THOMS, Colonel N. W. B. B., British Commandant, Shanghai Volunteer Corps.

THORBECKE, W. J. R., Netherlands Minister to China.

THORBURN, John, Briton murdered near Shanghai, June 1931.

TING CHAO, General, Chinese Commander, guard troops, Chinese Eastern Railway, Kirin, to January.

TING CHIEN-HSIU, "Manchoukuo" Minister of Communications.

TITULESCO, Nicolas, Rumanian Representative, League of Nations Assembly; Minister to Great Britain.

TODD, Oliver J., U. S. Engineer in Chief, China International Famine Relief Commission.

TORNVALL, Gustaf, Swedish businessman (Ekvall case).

TOYAMA, Hidezo, Japanese Leader, Tenkokai (Heavenly Conduct Society).

TOYAMA, Mitsuru, Japanese founder, Kokuryukai (Black Dragon Society).

TOYODA, Vice Admiral Teijiro, Chief, Japanese Kure Naval Arsenal.

TRATMAN, D. W., Principal Assistant Colonial Secretary, British Colonial Secretariat, Hong Kong.

TRUESDELL, Lieutenant Colonel Karl, temporarily commanding, U. S. 15th Infantry Regiment, Tientsin, May.

TSAI TING-KAI, General, Commander, Chinese 19th Route Army, Shanghai; Director of Peace Preservation, Fukien, July.

TSANG SHIH-YI, General, Chinese Head, Japanese-sponsored Liaoning (Fengtien) Provincial Government, Mukden; Member, Japanese-sponsored committee for northeastern provinces, February 17; "Manchoukuo" Minister of Civil Affairs, March 9.

TSURUMI, Ken, Third Secretary of Japanese Embassy in "Manchoukuo".

TURNER, William T., Third Secretary of Embassy in Japan.

TYRRELL, Lord William George, British Ambassador to France.

UCHIDA, Ryohei, Leader, Japan Production Party (patriotic association).

UCHIDA, Count Yasuya, President, South Manchuria Railway Company; Minister for Foreign Affairs, July 6.

UGAKI, General Kazushige, Japanese Governor General of Chosen (Korea).

UNDEN, Oesten, Swedish Representative, League of Nations Assembly, December.

UYEDA, Lieutenant General Kenkichi, Commander, Japanese 9th Army Division, Shanghai, February.

VANSITTART, Sir Robert Gilbert, British Permanent Under Secretary of State for Foreign Affairs.

VIKNER, Mr. and Mrs. D. W., American missionaries (Protestant).

VINCENT, John Carter, Consul at Mukden, January 1931; at Nanking, June 1932; at Dairen, September.

VOROSHILOV, General Klimenti Efremovich, Soviet Commissar for Military and Naval Affairs.

WAKATSUKI, Baron Reijiro, Japanese President, Minseito; Prime Minister, January 1926–April 1927; April 14–December 11, 1931.

WAN FU-LIN, General, Chinese former Chairman, Heilungkiang Provincial Government.

WANG, General Gaston K., Chinese Officer, Shanghai, February.

WANG CHING-WEI, Member, Standing Committee, Central Political Council, Kuomintang (Chinese Nationalist Party); President, Executive Yuan (Premier), Chinese National Government, January 28.

WANG CHUNG-HUI, Dr., Chinese Judge, Permanent Court of International Justice; President, Judicial Yuan, Chinese National Government, to December 1931; Chairman, Chinese Commission for Consolidation of China's Indebtedness, since 1930.

WANG SHIH-TSE, Chinese Manager, Northeastern Steamship Company, Manchuria.

WANG TE-LIN, General, Chinese Officer, Kirin.

WASHIO, Isoichi, Japanese former Manager, Dairen branch, Yokohama Specie Bank; Director, Central Bank of "Manchoukuo."

WATANABE, Captain S., Japanese Legation Guard, Peiping.

WATARI, Colonel Hisao, Japanese Officer attached to Japanese Assessor, League of Nations (Lytton) Commission of Inquiry.

WATER, Charles Theodore te, South African Representative, League of Nations Assembly; High Commissioner for Union of South Africa in Great Britain.

WATERMAN, Henry S., Consul at Saigon.

WATSON, J., British missionary (Protestant), Sian.

WEIZSACKER, Baron Ernst von, German Representative, League of Nations Council and Assembly; Minister to Norway.

WELLESLEY, Sir Victor Alexander Augustus Henry, British Deputy Under Secretary of State for Foreign Affairs.

WETZEL, General, German Military Adviser in China.

WHANG PING-HANG, General, Director, Chinese Aviation Bureau, Nanking.

WHIGHAM, Charles F., Morgan Grenfell & Company, London.

WHITE, Francis, Assistant Secretary of State.

WHITENER, S. W., American missionary (Protestant), Yochow, Hunan.

WIART, Count Carton de, Belgian Minister of State; Representative, League of Nations Assembly.

WIEGAND, Karl H. Von, American foreign correspondent, Hearst Press.

WILDEN, H. A., French Minister to China.

WILLIAMS, Rear Admiral Y. S., commanding, Yangtze Patrol, U. S. Asiatic Fleet.

WILSON, Hugh Robert, Minister to Switzerland.

WILSON, Huntington, Secretary of Legation and Chargé d'Affaires in Japan, 1906.

WONG SHAO-LAI, Chinese Chairman, Shanghai General Chamber of Commerce.

WU CHAO-CHU, Dr. (C. C.), Chinese Minister to United States, 1929–31; Chief, administrative office, Hainan Special Administrative Area, Hainan, March.

WU EN-PEI, Chinese Director, "Manchoukuo" Bank of the Three Eastern Provinces.

WU TE-CHEN, General, Mayor, Chinese Municipality of Greater Shanghai.

WYMAN, Lieutenant Willard G., Language Officer, Legation in China.

YAMAGATA, Field Marshal Prince Aritomo, Japanese Genro and Prime Minister of Meiji era.

YAMAMOTO, Baron Tatsuo, Japanese Home Minister, May 26.

YAMASAKI, Seiichiro, Japanese Consul at Manchouli (Manchuria Station).

YANG FENG-NIEN, Brigadier General, Chinese Officer, southern Fukien.

YANG HU-CHENG, General, Chinese Chairman, Shensi Provincial Government.

YANO, Makoto, Counselor of Japanese Legation in China, at Peiping.

YEH KUNG-CHO, Chinese Minister of Railways, January.

YEN, Dr. Hawkling, Counselor of Chinese Legation in United States.

YEN, Dr. W. W., Chinese Minister in United States; Representative, League of Nations Council and Assembly; Ambassador to the Soviet Union, December.

YEN CHUAN-FU, Chinese Mayor of Mukden, May.

YEN HSI-SHAN, Marshal, Member, State Council, Chinese National Government, January; Director of Peace Preservation, Taiyuan, February; Member, Chinese Military Council, March 6.

YING HSUN, Chinese Manager, Japanese-sponsored Northeastern Steamship Company.

YOSHIDA, Isaburo, Japanese Assessor, League of Nations (Lytton) Commission of Inquiry.

YOSHIHITO, Taisho Emperor of Japan, 1912–26; father of Emperor Hirohito.

YOSHIZAWA, Kenkichi, Japanese Minister for Foreign Affairs, January 14–May 16, 1932.

YOUNG, A. Morgan, British author, *Japan Under Taisho Tenno.*

YOUNG, Dr. Arthur H., American Adviser, Chinese Ministry of Finance.

YOUNG, Dr. C. Walter, Far Eastern Representative, Institute of Current World Affairs, New York; Technical Adviser, League of Nations (Lytton) Commission of Inquiry.

YU CHIH-SHAN, General, formerly high officer in Mukden Government; in service of "Manchoukuo."

YU SHAO-WU, Chinese Assistant, Chinese Customshouse, Harbin and Manchouli (Manchuria Station); "Manchoukuo" Customs Chief, Harbin, July.

YU YA-CHING, Chinese Member, Municipal Council, International Settlement, Shanghai; Chairman, Chinese Shipowners' Association.

YUAN CHIN-KAI, Member, "Manchoukuo" Privy Council, March 10.

YUAN SHIH-KAI, General, Viceroy, Grand Councilor and Prime Minister, Chinese Imperial Government; Provisional President of China, 1912–13; President, 1913–16.

YUI, O. K., Chinese Secretary to Mayor Wu Te-chen, Municipality of Greater Shanghai.

ZALESKI, Auguste, Polish Minister for Foreign Affairs; Representative, League of Nations Council.

ZING CHUN-CHING, Chinese Chairman, Shanghai Native Bankers' Guild.

ZULUETA ESCOLANO, Luis de, Spanish Minister for Foreign Affairs; Representative, League of Nations Council and Assembly.

ZUMOTO, Motosada, Japanese newspaperman and publisher.

LIST OF PAPERS

(Unless otherwise specified, the correspondence is *from* or *to* officials in the Department of State.)

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Jan. 5	*Memorandum by the Secretary of State* Advice to British Ambassador of U. S. proposed note to Chinese and Japanese Governments.	5
Jan. 6	*Memorandum by the Under Secretary of State of a Conversation With the Italian Ambassador* Italian desire to be included in any concerted action taken under the Nine-Power Treaty in regard to Manchuria.	6
Jan. 7	*From the Consul General at Tientsin (tel.)* Occupation of Shanhaikwan by Japanese troops.	7
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Jan. 7	*Memorandum by the Secretary of State* Advice to Japanese Ambassador of contents of identic note of January 7 to Chinese and Japanese Governments; intention to notify other parties to the Nine-Power Treaty, and the press, of contents of note.	8
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Jan. 7	*Memorandum by the Secretary of State* Notification to French Chargé of dispatch of identic note to to China and Japan, and expression of hope for similar action by France. (Footnote: Information that similar conversations were held with representatives of Belgium, Great Britain, Italy, the Netherlands, and Portugal.)	10
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Apr. 11	*Memorandum by the Chief of the Division of Far Eastern Affairs* Explanation to Chinese Chargé that U. S. Government has no authority to prevent Radio Corporation of America from making a contract with the new Manchurian administration; advice to Radio Corporation representative that Company is acting on its own responsibility and at its own risk in its transaction with Manchurian authorities.	685
Apr. 11 (56)	*From the Consul at Geneva (tel.)* Instructions to inform the Secretary General of Department's arrangements for its offices in China and Japan to extend all proper assistance to the League Commission and General McCoy.	686
Apr. 12 (103)	*To the Minister in China (tel.)* Instructions regarding presentation of claims by Standard Oil Company to authorities of new administration in Manchuria.	687
Apr. 12	*From the Minister in China (tel.)* Information of indefinite postponement of negotiations pending receipt by Chinese of further information from their representative at Geneva regarding League interpretation of time-limit question. Minister's intention to remain in Shanghai, even though British Minister is returning to Peiping on April 16.	687
Apr. 12 (104)	*To the Minister in China (tel.)* Information that Department is sending by pouch a plan containing suggestions for solution of Manchurian problem.	688
Apr. 13	*From the Minister in China (tel.)* Chinese Government's request for postponement of next meeting of conference until information has been received from Chinese delegate at Geneva regarding the time-limit question.	688
Apr. 13 (80)	*From the Minister in Switzerland (tel.)* Information that Chinese representative has requested a meeting of the Committee of Nineteen in order to present the Chinese viewpoint on the Shanghai negotiations.	689
Apr. 13	*From the Minister in China (tel.)* Understanding that British forces at Shanghai will be reduced by one battalion.	689

THE FAR EASTERN CRISIS

CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

Date and number	Subject	Page
Apr. 13	*From the Minister in China (tel.)* Identic message sent by U. S., British, French, and Italian representatives to their Governments (text printed), giving summary of present situation of conference and suggestion that Assembly's interpretation of article 3 regarding date of Japanese withdrawal would be helpful.	689
Apr. 13	*Memorandum by the Chief of the Division of Far Eastern Affairs of a Conversation With the Chief of Staff, United States Army* Discussion of possible reduction of armed forces at Shanghai, and General MacArthur's advice that 31st Regiment be kept at Shanghai until situation is clearer.	691
Apr. 13 (145)	*To the Ambassador in France (tel.)* For Secretary Stimson (en route to Disarmament Conference at Geneva): Summary of Shanghai negotiations and opinion of Far Eastern Division regarding the situation.	692
Apr. 14 (435)	*From the Minister in China (tel.)* From Harbin, April 13: Wrecking of Japanese military train on Chinese Eastern Railway.	692
Apr. 14 (141)	*To the Consul General at Shanghai (tel.)* For the Minister: Approval of decision to remain in Shanghai.	693
Apr. 15 (60)	*To the Consul at Geneva (tel.)* For the Secretary: Submission by the Japanese Ambassador of a paper containing text of a formula for Japanese withdrawal, for which Japan may endeavor to secure support at at Geneva, and Department's comments thereon.	694
Apr. 15	*To the Consul General at Shanghai* Appreciation of Consul General's suggestions contained in his despatch No. 8126 of February 19 relative to the future administration of Shanghai.	695
Apr. 16 (143)	*To the Consul General at Shanghai (tel.)* For the Minister: Views regarding General McCoy's request for special transportation facilities, and instructions to communicate these views to Admiral Taylor and General McCoy.	695
Apr. 17	*From the Minister in China (tel.)* Information that Chinese Government does not wish to take up question of aviation training mission through its Legation in Washington and is continuing its conversations with Trade Commissioner Howard regarding civilian aviation.	696
Apr. 18	*From the Minister in China (tel.)* Information that Chinese representative is returning from Nanking and expects to resume negotiations with Japanese.	697

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CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

Date and number	Subject	Page
1932		
Apr. 18 (82)	*From the Minister in Switzerland (tel.)* Telegram sent by the Secretary of State to the Minister in China (text printed) informing him of proposed adoption of a resolution by Committee of Nineteen giving interpretation of article 3 of draft agreement relative to Japanese withdrawal; requesting Minister's personal opinion as to proposed action; and authorizing him, in his discretion, to join in identic reply being requested from his colleagues by their Governments.	697
Apr. 18 (462)	*From the Consul General at Mukden* Transmittal of résumé of political developments in South Manchuria between September 18, 1931, and March 31, 1932; evidence showing that Japan deliberately planned the domination of Manchuria.	698
Apr. 19 (214)	*From the Consul General at Shanghai (tel.)* Instances of injuries suffered by American businessmen in Chapei and other territory now under Japanese military occupation, and request for instructions regarding recognition of Japanese *de facto* authority.	700
Apr. 19 (445)	*From the Minister in China (tel.)* From Mukden, April 18: Information on closing of the offices of the district inspector of the Salt Administration.	702
Apr. 19 (145)	*From the Consul General at Shanghai (tel.)* For the Minister: Department's nonobjection to Trade Commissioner's discussion of civilian aviation question with Soong, but opinion, concurred in by War Department, that U. S. Government or its officers should not be associated with military training.	702
Apr. 19 (83)	*From the Minister in Switzerland (tel.)* To Shanghai, for Engert from the Secretary of State: Request for information as to whether the Minister has agreed to proposed identic note (quoted in telegram No. 88, April 23); request for his personal opinion in the matter.	702
Apr. 19 (84)	*From the Minister in Switzerland (tel.)* Paragraphs 11 and 14 (texts printed) of draft resolution of Committee of Nineteen.	703
Apr. 19 (85)	*From the Minister in Switzerland (tel.)* Information that the draft resolution was unanimously adopted by Committee of Nineteen and text given to Chinese and Japanese representatives for submission to their Governments.	703
Apr. 20	*From the Minister in China (tel.)* Repetition of telegram to the Consul at Geneva, for the Secretary, advising of Minister's concurrence in views of his colleagues (identic note quoted in telegram No. 88, April 23).	704
Apr. 20 (39)	*From the Minister in Latvia (tel.)* Report on anti-Japanese campaign in Soviet press.	704

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CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

Date and number	Subject	Page
1932 Apr. 21	*From the Minister in China (tel.)* British Minister's desire to know attitude of U. S. Government toward giving the Joint Committee, established in article 4 of draft agreement, authority to declare when time had come for withdrawal of Japanese forces.	704
Apr. 21	*From the Minister in China (tel.)* Summary of confidential memoranda on factors which are influencing the Chinese in present negotiations.	705
Apr. 21 (85) [86?]	*From the Minister in Switzerland (tel.)* From the Secretary: Feeling that there should be no reluctance in accepting responsibility involved in Committee's resolution with respect to declaration by Joint Committee of time for Japanese withdrawal.	706
Apr. 21 (52)	*To the Minister in Switzerland, at Geneva (tel.)* For the Secretary: Advice from Japanese Ambassador of Japanese Government's nonacceptance of paragraph 11 of Committee's resolution; suggestion that scope of responsibility to be assumed by Joint Commission be more exactly defined.	706
Apr. 21	*Memorandum by the Minister in Switzerland* Discussion with Mr. Matsudaira concerning Japanese objections to paragraph 11.	707
Apr 21 (1491)	*From the Minister in China* Departure of League Inquiry Commission for Manchuria on April 19; account of Commission's activities while in Peiping.	710
Apr. 22 (458)	*From the Minister in China (tel.)* From Harbin, April 21: Report of conditions in Northern Manchuria; advice by the Japanese Vice Consul that he is arranging a program for the League Commission's visit to Harbin.	711
Apr. 22 (87)	*From the Minister in Switzerland (tel.)* From the Secretary: Opinion that question of responsibility for extent of Japanese withdrawal is provided for in article 10 (text printed) of draft resolution. (Footnote: Information that instructions regarding draft resolution were sent to Minister in China in telegram No. 55, April 22.)	712
Apr. 22 (459)	*From the Minister in China (tel.)* Summary of comments made by General McCoy in informal conversation regarding Manchurian investigation.	712
Apr. 22	*To Dr. George H. Blakeslee* Transmittal of an outline of a plan for a solution of the Manchurian problem (text printed), for use in the working out of a solution of the Sino-Japanese controversy.	713

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CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

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1932 Apr. 22	*Memorandum of a Conversation* Between the Secretary of State and M. Hymans in Geneva: Discussion of probable Japanese declaration regarding draft resolution, and general aspects of Shanghai negotiations and Manchurian question.	716
Apr. 23	*From Mr. Hsieh Chieh-shih (tel.)* Notification of desire of the state of Manchuria to adhere to International Radiotelegraph Convention of Washington. (Footnote: Information that telegram from Changchun was filed without reply.)	719
Apr. 23	*From the Minister in China (tel.)* Discussions of British and American Ministers with Shigemitsu and Quo, and suggestion for adoption of amended annex 4 of draft agreement in lieu of article 11 of draft resolution, which Japanese and Chinese representatives agreed to take up with their Governments.	719
Apr. 23 (88)	*From the Minister in Switzerland (tel.)* For Hornbeck from Klots: Transmittal of telegram dated April 19 from Shanghai, for the Secretary (text printed), containing identic reply of representatives of the four interested powers to inquiries from their Governments regarding draft resolution.	721
Apr. 23 (2367)	*From the Consul General at Harbin to the Minister in China* Information that a reply has been received from the Harbin Post Commissioner to complaint regarding detention of certain publications of the American Mission of Seventh-Day Adventists by a Japanese censor and that it would appear that American mail in Manchuria is subject to both censorship and detention by Japanese authorities.	722
Apr. 25 (464)	*From the Minister in China (tel.)* From Harbin, April 23: Information from Japanese Vice Consul concerning defeat of old Kirin troops by Japanese troops near Imienpo, and seizure by bandits of Chinese Eastern Railway station at Sanchaho.	722
Apr. 25 (153)	*To the Consul General at Shanghai (tel.)* For the Minister: Approval of action taken and further instructions and comments in regard to difficulties of American businessmen and protection of American property in Chapei and surrounding Chinese territory.	723
Apr. 25 (57)	*To the Minister in Switzerland (tel.)* For the Secretary: Information, in telegram from Legation in China (text printed), that Ohashi, formerly Japanese Consul General at Harbin, is in charge of general affairs in the Foreign Office of new government at Changchun.	724
Apr. 26	*From the Minister in China (tel.)* Report that Chinese Government is willing to accept suggested amendment to paragraph 11 of draft resolution.	724

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CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

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Apr. 26 (89)	*From the Minister in Switzerland (tel.)* Information that Committee of Nineteen was advised by British representative of new formula amending armistice agreement (text printed), and which would replace present article 11 of draft resolution; that formula has been accepted by Chinese Government, and that Shigemitsu is seeking his Government's consent.	724
Apr. 27	*From the Minister in China (tel.)* Information that Minister is preparing a letter to his Japanese colleague, protesting instances of injury to American business interests in areas under Japanese military control; opinion that clause on responsibility for damages should be included in protest, and request for instructions regarding general policy in the matter.	725
Apr. 27	*Memorandum by the Consul General at Nanking* Conversation with Dr. Millard, Adviser to the Chinese Government, and Mr. Ingram, British Counselor of Legation, concerning Shanghai negotiations; observations by Dr. Millard on China's policy toward Japan and decisive role of the United States in the settlement of the Far East controversy.	726
Apr. 28 (90)	*From the Minister in Switzerland (tel.)* Acceptance by both Chinese and Japanese of the proposal as last reported regarding duties of Joint Commission, and information that the draft resolution will be submitted to the Assembly on April 30.	730
Apr. 28	*From the Minister in China (tel.)* Formal acceptance by Quo and Shigemitsu of amendment to annex 4; Minister's intention to designate Consul General as civilian representative, and a language officer as military representative, on Joint Commission. Hope that Department will approve Minister's return to Peiping after signature of agreement.	730
Undated	*From the Chinese Assessor to the League of Nations Manchuria Inquiry Commission* Information that Chinese Assessor and his staff have been completely isolated and placed under strict surveillance by Japanese police agents in Mukden.	732
Apr. 29 (481)	*From the Minister in China (tel.)* From Harbin, April 28: Information that Japanese are openly showing their control of the new government.	733
Apr. 29	*From the Minister in China (tel.)* Report of bombing incident during Japanese military review.	733
Apr. 30 (91)	*From the Minister in Switzerland (tel.)* Suggestion by Sir John Simon that four Ministers at Shanghai resume joint reports to Committee of Nineteen, and information that Secretary Stimson sees no objection. (Footnote: Information that Minister in China was instructed to telegraph to Department texts of any joint reports submitted.)	734

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CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

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1932		
Apr. 30 (92)	*From the Minister in Switzerland (tel.)* From the Secretary: Report of satisfactory conversations with British officials and various members of League regarding Japan and China.	734
Apr. 30 (165)	*From the Consul at Geneva (tel.)* Information that Assembly, Japan abstaining, passed unanimously the resolution (text printed) submitted by the Committee of Nineteen.	735
Apr. 30 (487)	*From the Minister in China (tel.)* From Mukden: Information that League Inquiry Commission will leave Mukden May 2 for Changchun and North Manchuria.	737
Apr. 30 (162)	*To the Consul General at Shanghai (tel.)* For the Minister: Approval of representatives for Joint Commission provided other powers make similar designations; advice that question of return to Peiping will be considered when agreement has been signed.	738
Apr. 30	*From the Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation* Information that bomb-thrower in incident at the Hongkew Park, Shanghai, was a Korean, who has been arrested by the Japanese troops.	738
Apr. 30	*From the British Secretary of State for Foreign Affairs to the Secretary of State, at Geneva* Information as to action of Manchurian authorities in relation to administrative integrity of China, particularly in relation to customs revenues and salt gabelle; opinion that joint or similar representations to Japanese Government might be made regarding salt gabelle.	738
May 1 (489)	*From the Minister in China (tel.)* From Harbin, April 30: Japanese-inspired arrests of alleged Communists, and press charges of communist activities against new state and Japanese forces.	740
May 1	*From the Minister in China (tel.)* Message from Japanese Government (text printed) indicating intention to proceed with negotiations notwithstanding the Hongkew Park bombing incident.	741
Apr. 14	*From the Chairman of the Provincial Government of Heilungkiang to the Chinese Delegation at Geneva* Account of Japanese domination of Manchuria and setting up of the puppet government.	741
May 3	*From the Minister in China (tel.)* Information that Quo Tai-chi, Chinese delegate, received a slight injury from an assault by a Chinese student.	747
[May 3] (464)	*From the Consul General at Mukden* Report of arrival of League Inquiry Commission at Mukden, their treatment by Japanese authorities, and departure for Changchun.	747

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CHAPTER VIII: APRIL 1–MAY 5, 1932—Continued

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1932		
May 4	*From the Minister in China (tel.)* Japanese proposal to make a statement (text printed) at signing of agreement, respecting Chinese right to dispatch troops for maintaining order; British alternative proposal which British Ambassador at Tokyo has been instructed to endeavor to have adopted; hope that American Ambassador can be instructed to join in British Ambassador's representations. (Repeated to Tokyo.)	751
May 3 (99)	*To the Chargé in Japan (tel.)* Authorization to cooperate with British Ambassador in appropriate representations as to proposed Japanese statement, and instructions to inform Department and Minister in China of action taken.	752
May 4 (122)	*From the Chargé in Japan (tel.)* Information from Foreign Office that instructions to Japanese delegates have been changed and that statement will not be made.	752
May 5	*From the Minister in China (tel.)* Notification that agreement was signed at noon; information regarding constitution of Joint Committee; Minister's intention to leave for Nanking May 7.	753
May 5	*From the Minister in China (tel.)* Report of incident on Settlement border between Japanese marines and Settlement police, involving 31st Infantry; recommendation that question of withdrawal of 31st Infantry be reconsidered in view of conditions.	753
May 5 (169)	*To the Consul General at Shanghai (tel.)* For the Minister: Instructions with respect to presentation of claims to Chinese and Japanese authorities; request for substance of similar instructions received by British colleague.	754

THE FAR EASTERN CRISIS

OCCUPATION OF MANCHURIA BY JAPAN AND STATEMENT OF POLICY BY THE UNITED STATES[1]

CHAPTER I: JANUARY 1–28, 1932

Japanese Occupation of Chinchow, January 3; Selection by League of Nations Council of General Frank R. McCoy, U.S.A., as American Member of Commission of Inquiry; Restatement of Nonrecognition Doctrine by United States in Identic Notes to Japan and China, January 7; British Foreign Office Statement, January 9; Incidents Involving Chinese and Japanese Nationals at Shanghai; Japanese Insistence Upon Local Settlement at Shanghai; Expression of League Council's Concern to China and Japan, January 26; American Representations to Japan, January 27; Satisfactory Reply to Japanese Demands by Chinese Mayor at Shanghai, January 28; Declaration by International Settlement of State of Emergency, January 28

793.94/3418

Memorandum by the Secretary of State

[WASHINGTON,] January 2, 1932.

The French Ambassador came to see me in respect to the next steps to be taken in Manchuria. He read me a translation of a note which he had received from M. Briand, conveying the information that M. Briand had sent instructions to the French representatives in China and Japan asking the following questions:

(1) Exactly what the Japanese have done in Manchuria;
(2) What is the scope and character of the Japanese advance, including recent reinforcements in Chinchow;
(3) What resistance has been made by the regular troops of China;
(4) What was the fact about and what was the result of the negotiations which took place between the Japanese and the Young Marshal, Chang Hsueh-liang, because the French have conflicting reports about what these negotiations were;
(5) The general situation of the new government in Nanking—what its attitude and real intentions are in respect to Manchuria.

The Ambassador suggested that I might make similar inquiries. I told him that I would look the matter up and in case we did not have sufficient information on those subjects would do so.

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[1] Continued from *Foreign Relations*, 1931, vol. III, pp. 1–715; for additional correspondence, see *ibid.*, Japan, 1931–1941, vol. I, pp. 76–107 and 161–220.

I then told the Ambassador that I was very glad he had come because I had been on the point of sending for him to talk with me about future steps in Manchuria. I told him I was contemplating two steps:

(1) The Senate has asked for the entire correspondence in regard to the negotiations over Manchuria,[2] and I am seriously considering sending up to them every written note and memorandum which has passed between this government and the Japanese and Chinese Governments. The Senate also has asked for the papers which have passed between this government and the League of Nations. In response to that I shall send up only the communications which have been made public by the League, and shall not send up the various memoranda which the League circulated in confidence;

(2) I am considering sending a formal note to Japan which, while disclaiming final judgment until the report of the Manchurian Commission,[3] would yet make it clear that the impression of the entire record of action by Japan up to this date upon this government was to the effect—(A) that Japan had destroyed the administrative integrity of the Chinese Government in Manchuria, and (B) that it had used non-pacific means to accomplish a national object, and in view of this that our government felt bound to notify Japan that as we had done in 1915 in respect to the twenty-one demands[4] we should not recognize the validity of any treaties which were executed between Japan and China under pressure of this military occupation so far as such treaties might interfere with our own treaty rights.

I told the Ambassador that I should like to know how such steps would strike M. Briand, for while we were proposing probably to go along on somewhat that line anyhow, it would considerably add to the influence of the step if it was joined in by France and Great Britain who also had great interests there. The Ambassador replied that he felt that some steps were absolutely necessary in view of what had taken place in Chinchow, which he regarded as a slap in the face to the European nations and ourselves, and that he would communicate with M. Briand and let me know.

H[ENRY] L. S[TIMSON]

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[2] Senate Resolution No. 87, December 17, 1931; see *Conditions in Manchuria*, Senate Document No. 55, 72d Cong., 1st sess. (Washington, Government Printing Office, 1932).

[3] Commission of Inquiry authorized by the Council of the League of Nations, December 10, 1931.

[4] See telegram of May 11, 1915, 5 p.m., to the Ambassador in Japan, *Foreign Relations*, 1915, p. 146.

793.94/3386 : Telegram

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

PEIPING, January 3, 1932—noon.
[Received January 3—2:30 a.m.]

9. Following from Military Attaché who returned Peiping last night:

"December 31st. Withdrawal movement Chinese troops from Chinchow continued all day. December 31, 7 p.m. General Jung Chen sent word requesting foreign observers leave Chinchow morning of January 1st.

Sent Aldrich to Taling River to observe and report if bridge over river was destroyed. He arrived at 5:30 p.m., December 31, found bridge and railway intact, continued on to Kowpangtze, arrived without incident 11 p.m., Japanese troops in occupation. Taken to headquarters 2d Division, after identification was permitted to return Chinchow, arrived January 1, 8 a.m. Last Chinese troop train pulled out of Chinchow January 1, 11 a.m., followed foreign observers.

No regular troop nor Provincial Government remained Chinchow. The mayor with local police alone remaining. Japanese aeroplanes flew over Chinchow, intervals 1 and 2 hours daily during entire period evacuation, no bombs dropped. No indication approach Japanese troops up to the time of departure foreign observers.

. . . . . .

Repeat War Department."

JOHNSON

793.94/3387 : Telegram

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

PEIPING, January 4, 1932—1 p.m.
[Received January 4—4 a.m.]

10. Following from American Consul General at Mukden:

"January 3, noon. Headquarters has announced that Chinhsien was occupied at 4:40 this morning by Muro brigade."

Repeated to Tokyo.

JOHNSON

793.94/3411 : Telegram

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

PEIPING, January 5, 1932—1 p.m.
[Received January 5—9:20 a.m.]

16. Consul General, Nanking, reports informal conversation yesterday with Eugene Chen, new Minister of Foreign Affairs, in the course

of which Chen made guarded statement that Premier Inukai had approached him unofficially on the subject of opening discussions regarding Manchuria. Chen referred to his conversations with the General Staff in Japan last summer and believes that Inukai is on footing of closer understanding with Japanese General Staff than his predecessor. He criticized bitterly Japanese action in Manchuria stating that a government unable to control its army was a menace to civilized world. He insisted that Chinese withdrawal from Chinchow had been against the orders of the Government but admitted that military action by China was now useless. He intimated that he was seeking some dignified way of opening discussions with Japan but while he expressed optimism regarding outcome of Manchurian situation he gave impression of being rather at a loss as to measures to take. In conclusion he expressed the hope that powers and especially United States would lend China friendly assistance.

JOHNSON

793.94/3431

Memorandum by the Secretary of State

[WASHINGTON,] January 5, 1932.

The French Ambassador called and read to me two messages received from his government. The first stated that they appreciate the force of our arguments; that M. Briand and the Secretary General of the League of Nations has [*have*] appointed General McCoy as a member of the Commission of the League of Nations in Manchuria and the Commission is now complete and will become official as soon as the Chinese and Japanese Governments give notice of their assent—the Chinese representative has already said that he has no objection. The second stated that the capture of Chinchow has entirely changed the situation in Manchuria, and the inquiry that Ambassador Claudel reported from his Foreign Office the other day of the questions to be made of the Japanese Government are no longer as important as they were then, because events have gone more quickly than anticipated; that under such conditions a new *démarche* seems entirely necessary to call once more the attention of the Tokyo Foreign Minister to the obligations which he has accepted and to bring him to accept clearly his responsibility; that it would be well to call attention to the absence of any resistance on the part of the Chinese troops; and how can the Japanese Government reconcile the large military movement with the terms of the Resolution of December 10th of the Council of the League

of Nations,[5] and reconcile it with the solemn obligations they took to refrain from any new initiative which would result in new loss of life and new battles; that the number of the Japanese forces in Manchuria seems now to be exceeding the number authorized for the protection of their railway, and such a fact inspires anxiety and would seem of itself alone to be reason for a new *démarche*, even if the capture of Chinchow was not sufficient to give a full reason for it; that M. Briand has authorized the French Ambassador in Japan to make such a *démarche* whenever his British and American colleagues have received similar authority and asks that the Government in Washington be informed and asked to instruct their Ambassador in Tokyo to make the same *démarche*, and that this in M. Briand's opinion does not conflict with the note that we are proposing to send.

When the Ambassador had finished, I told him that I had been considering this matter since my last interview with him and I fully agreed that the occupation of Chinchow made it necessary for a new *démarche* by these countries; that, however, I felt that because the American Government was not a party to the League of Nations our *démarche* could not follow exactly the line pointed out in M. Briand's telegram and be based upon the action of the Council of December 10th —that I felt we must follow the line of the treaties to which this government was a party and that I had been preparing a note to both China and Japan which would follow the basis in general of the Nine-Power Treaty[6] and the Kellogg-Briand Pact.[7] I then read him the third draft of the note upon which I had been working and told him that my final note would probably be along approximately that line and it would be sent in a very short time, probably through Tokyo. He said he fully understood my reason and agreed with it. He made the comment that the note seemed to him to be very strong.

H[ENRY] L. S[TIMSON]

793.94/3432

Memorandum by the Secretary of State

[WASHINGTON,] January 5, 1932.

During the call of the British Ambassador I told him that now that the Japanese had occupied Chinchow I was going to send a note to both the Japanese and Chinese Governments notifying them that we

[5] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 59. This resolution was introduced on December 9, and is sometimes referred to by that date rather than December 10, the date of its approval by the Council.

[6] Signed at Washington, February 6, 1922, *Foreign Relations*, 1922, vol. I, p. 276.

[7] Signed at Paris, August 27, 1928, *ibid.*, 1928, vol. I, p. 153.

did not intend to recognize any treaties, understandings, or situations, which might be entered into by China and Japan impairing the treaty rights of the United States or their citizens in China or impairing the sovereignty, independence, or territorial or administrative integrity of China or affecting the open-door policy or which might be arrived at by steps contrary to the Kellogg-Briand Pact. I read the Ambassador a draft of a note which I had been working on and told him my note would follow somewhat that line. I pointed out that we had done the same thing in 1915 at the time of the 21 Demands and that it had been effective six years later in restoring our rights. I pointed out that it would be effective if the other countries, like Great Britain and France, in the same position which we were took similar steps, and I said that I intended to bring the same thing to the attention of the French Government. The Ambassador said that Great Britain had rights similar to ours and would be interested in taking the same steps. I asked him to let us know, and said I would act promptly—inside a day or two.

H[ENRY] L. S[TIMSON]

793.94/3449

Memorandum by the Under Secretary of State (Castle) of a Conversation With the Italian Ambassador (De Martino)

[WASHINGTON,] January 6, 1932.

The Ambassador wanted to ask about Manchuria, whether the stories were true that the Secretary yesterday sent for the British and French Ambassadors to consult with them as to concerted action on the part of the three powers in Manchuria under the Nine Power Treaty. I told the Ambassador that I had no reason to think the Secretary had sent for either the British or French Ambassadors and that I did not know the subject of the conversation. He said that, if any concerted action was to be taken under the Nine Power Treaty, Italy wished to be included since it also was a signatory to the Treaty. I told him I could not conceive of action being taken under the Treaty without consultation with the various signatories and that, in any case, no concerted action with anyone was, so far as I knew, contemplated in Manchuria. I said that if the attack on the American Vice Consul[8] was indicative of possible mistreatment of foreigners in general in Manchuria, it would undoubtedly be true that the various nations would all have to act and that it might be more effective if they acted in concert.

W. R. CASTLE, JR.

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[8] For correspondence concerning the assault at Mukden upon Culver B. Chamberlain, Consul at Harbin, see vol. IV, pp. 728 ff.

793.94/3430 : Telegram

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

TIENTSIN, January 7, 1932—2 p.m.
[Received January 7—5:30 a.m.]

The following telegram has been sent to the Legation today:

"January 7, 1 p.m. According to information received by the Kailan Mining Administration, the Japanese troops that have been advancing toward Shanhaikwan for several days have now reached that place without resistance from Chinese forces and have taken over telephone and telegraph lines eastward from there.

Local Japanese military authorities will hold a review tomorrow morning in the Japanese concession of Japanese troops at Tientsin now numbering approximately 3,000. Repeated to Department."

LOCKHART

793.94/3437 : Telegram

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

PEIPING, January 7, 1932—6 p.m.
[Received January 7—10:20 a.m.]

33. Following from American Consul General at Harbin:

"January 6, noon. 1. General Ma is now at Sungpuchen, southern terminus of the Hu-Hai Railway, opposite Harbin on the left bank of the Sungari River, ostensibly to consult with General Chang Ching-hui, who the local press reports will proceed today to Tsitsihar to inspect conditions there. It is possible but not probable that General Ma will accompany him to Tsitsihar.

2. Now that the Chinese forces have been eliminated from Chinchow, General Ma and his troops are the only so-called regular forces in Manchuria stations opposed to the Japanese. Unless Ma receives support from Soviet Russia which appears unlikely he will not be in a position to resist Japanese demands."

JOHNSON

793.94/3437b : Telegram

The Secretary of State to the Consul General at Nanking (Peck)[9]

WASHINGTON, January 7, 1932—noon.

2. Please deliver to the Foreign Office, as through the Legation, on behalf of your Government as soon as possible the following note:

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[9] The same, *mutatis mutandis*, to the Ambassador in Japan as telegram No. 7, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 76; text of note repeated to the Consul at Geneva in telegram No. 4, January 7, 1 p.m., with instructions to transmit the note to the Secretary General of the League of Nations.

"With the recent military operations about Chinchow, the last remaining administrative authority of the Government of the Chinese Republic in South Manchuria, as it existed prior to September 18th, 1931, has been destroyed. The American Government continues confident that the work of the neutral commission recently authorized by the Council of the League of Nations will facilitate an ultimate solution of the difficulties now existing between China and Japan. But in view of the present situation and of its own rights and obligations therein, the American Government deems it to be its duty to notify both the Government of the Chinese Republic and the Imperial Japanese Government that it cannot admit the legality of any situation *de facto* nor does it intend to recognize any treaty or agreement entered into between those Governments, or agents thereof, which may impair the treaty rights of the United States or its citizens in China, including those which relate to the sovereignty, the independence, or the territorial and administrative integrity of the Republic of China, or to the international policy relative to China, commonly known as the open door policy; and that it does not intend to recognize any situation, treaty or agreement which may be brought about by means contrary to the covenants and obligations of the Pact of Paris of August 27, 1928, to which Treaty both China and Japan, as well as the United States, are parties."

State that an identical note is being sent to the Japanese Government.

Repeat whole of above to Legation.

STIMSON

793.94/3450

Memorandum by the Secretary of State

[WASHINGTON,] January 7, 1932.

I called in the Japanese Ambassador and told him I had decided to send a note to Japan and China, to set out the position of the United States Government at this situation. I then repeated to him verbally the substance of the note, called his attention to the fact that a similar note was sent in 1915 at the time of the twenty-one demands, and gave him a copy of this note. He told me that he very well recollected the sending of the note at the time of the twenty-one demands. I then said that when I was asked by the press about this note I would give the following background: (1) that we had no quarrel with any of Japan's rights in Manchuria, (2) that we had no desire to intrude into the terms of any settlement which might be made in the future between China and Japan except (*a*) such settlement should not impair our own rights in China and (*b*) there should not be any violation of the Kellogg Pact.

I told him that I should make public the note for release in tomorrow morning's papers and that I should call in the ambassadors of the other members of the Nine Power Treaty and notify them all that we had taken this step by ourselves in defense of our own rights and not in concert with them,[10] and that he was the first one of those ambassadors whom I had informed of the contents of the note.

After I had closed, the Japanese Ambassador told me that General Honjo's representative at Harbin, whom he thought was a lieutenant colonel, although he did not remember his name, had called upon Mr. Chamberlain there and expressed his regret at the occurrences at Mukden. I told him I was very glad to hear that.

H[ENRY] L. S[TIMSON]

793.94/3451

Memorandum by the Secretary of State

[WASHINGTON,] January 7, 1932.

I told the Chinese Minister that I had sent to the Japanese and Chinese Governments a note, of which I was going to read him a copy, and I read him the note and then handed him the copy. I then told him the substance of our position: (1) that we had no quarrel with any of Japan's rights in Manchuria, (2) that we had no desire to intrude into the terms of any settlement which might be made in the future between China and Japan except (*a*) such settlement should not impair our own rights in China and (*b*) there should not be any violation of the Kellogg Pact. I told him that I was going to notify the other members of the Nine Power Treaty this morning and that the contents of the note would not be made public by me before tomorrow morning and I hoped that it would not be by any of the others. He said, of course not.

He then asked what I intended to do, and he used the phrase, "since the League of Nations has failed in its efforts". I broke in and said that I did not think that it was true that the League of Nations had failed, that we thought that their efforts in getting the appointment of a neutral commission under the conciliation steps instituted by the League were very important, and that I hoped that a solution would come out of it, and I explained my careful efforts to show our entire sympathy with the general objective of the League, while not running any risk of crossing wires with their work. I said that under this

[10] See memorandum by the Secretary of State, p. 10.

step we had referred to the treaty rights of the Nine Power Treaty and I hoped that this would clarify the air somewhat, but as to what future steps should be taken, I would not forecast now what we would do, but wait and see what would be the effect of the step already taken.

He then showed me an extract from his instructions which he handed me, and which are annexed to this[11] with the copy of the note which I have given him, and I read them and said that in some respects those instructions seemed to be met by what I had now done in respect to this note.

H[ENRY] L. S[TIMSON]

793.94/3451

The Chinese Minister for Foreign Affairs at Nanking to the Chinese Minister (W. W. Yen)[12]

You will convey in subsequent interviews a brief summary of the recent incidents which have taken place in China, and consistently press for some action on the part of the United States of America, to the end that respect for international treaties in general, the Paris Pact for the Preservation of Peace, and the Nine Power Treaty in particular, will be maintained, so that the peace of the Far East will not be disturbed.

793.94/3452

Memorandum by the Secretary of State

[WASHINGTON,] January 7, 1932.

When the French Chargé came I reminded him of my talk with M. Claudel and my statement that while I did not feel it would be appropriate for us to comply with Mr. Briand's request that we should make a *démarche* under the Resolution of the League of December 9th, I nevertheless would make one under our own treaties. I told the Ambassador [*Chargé?*] that I this morning had sent to both China and Japan a note in the form of the copy which I handed him. I told him that in this note we based our position upon both the Nine-Power Treaty and the Pact of Paris, and that I was therefore notifying the fellow signatories of the Nine-Power Treaty of our action; that

[11] *Infra.*

[12] Extract from instructions to the Chinese Minister upon his departure from China; handed to the Secretary of State by the Chinese Minister on January 7, 1932.

although I had not made any effort to obtain concerted action, I should appreciate it very much if the other Powers followed somewhat similar action, especially France.[13]

I inquired about M. Briand's health. He said that while M. Briand was confined to his room and saw only M. Berthelot, he had not had any stroke. Mr. Henry then mentioned that M. Maginot, the War Minister, had had a stroke and died last night. I expressed my sympathy and said I would send a telegram.

H[ENRY] L. S[TIMSON]

793.94/3743

The Consul General at Mukden (Myers) to the Secretary of State

No. 425 MUKDEN, January 7, 1932.
[Received January 30.]

SIR: Referring to my despatch No. 493 dated December 2, 1931, to the Legation, Peiping,[14] entitled "Some Aspects of the Japanese Occupation" concerning activities of the Japanese for the advancement of their interests, I have the honor to present a brief résumé of the railway situation in Manchuria as affected by the Japanese occupation.

Railways have, in the past, been one of the most important Sino-Japanese problems in Manchuria. The Chinese began constructing railways on their own behalf in 1925 and at a very early stage these railways met with objections from the Japanese, the Mukden-Hailung and Kirin-Hailung lines because of their forming a line parallel to the South Manchuria Railway and the Kirin-Hailung additionally because of its being part and parcel of the Kirin-Kaiyuan project provided for by one of the so-called Nishihara agreements (Preliminary Agreement for a loan for railways in Manchuria and Mongolia—September 28, 1918). It may be mentioned here that the alleged secret protocols to the Sino-Japanese Treaty of December 22, 1905,[15] interdict the construction of parallel lines to the South Manchuria Railway.

On the west of the South Manchuria Railway, the South Manchuria Railway Company built for the Chinese the Ssu-Tao and Tao-Ang (Ssupingkai-Taonan and Taonan-Angangchi) lines which, for the Japanese, served the double purpose of providing valuable feeders for the South Manchuria Railway and of tapping territory within the zone of the Chinese Eastern Railway. The subsequent construc-

[13] A like suggestion was made at the time copies of the note were handed to representatives of Belgium, Great Britain, Italy, the Netherlands, and Portugal. Memoranda of these conversations not printed.

[14] Not printed.

[15] John V. A. MacMurray (ed.), *Treaties and Agreements With and Concerning China*, vol. I, p. 549; for summary of alleged secret protocols, see p. 554.

tion by the Chinese of the Tahushan-Tungliao line (completed at end of 1927), which connects with the Chengchiatun-Tungliao branch of the Ssu-Tao Railway at the latter point, gave the Chinese a circuitous but direct all-Chinese rail route between Mukden and Tsitsihar. Politically this route proved a great asset to the Chinese who were thereby enabled freely to move troops between north and south Manchuria without Japanese permission which had to be obtained for the movement of Chinese troops over Japanese railways. Commercially it was of considerable potential importance, especially in view of the building of the port of Hulutao. However, the Japanese, for obvious reasons, emphasized this phase of the railway problem, for which they were given ample grounds by the Chinese who not only failed to make a serious effort to meet their financial obligations to the South Manchuria Railway Company on account of construction costs and unpaid interest charges but by devious means deferred the reaching of an understanding over the division of outgoing freight traffic originating north of Chengchiatun while at the same time redoubled their efforts to divert traffic from the South Manchuria Railway for the benefit of their lines. It may be mentioned in passing that Japanese protests against the construction of the Tahushan-Tungliao line on the basis of the above mentioned alleged secret protocols were totally disregarded and the work of construction was completed as rapidly as possible.

Now the situation is completely reversed. The Mukden-Hailung-Kirin lines which were operated as feeders for the Peiping-Liaoning Railway—a through passenger service was operated daily between Kirin and Peiping prior to September 18, 1931—now feed only the South Manchuria Railway lines. The Peiping-Liaoning Railway tracks, under the South Manchuria Railway main line, connecting the Huangkutun and Mukden stations were destroyed by Japanese troops on the night of September 18th and have not been repaired to date. Conversely, the connection which the Chinese desired to make at Kirin between the Kirin-Hailung and Kirin-Tunhua lines at the Kirin-Changchun Railway station and which the Japanese opposed prior to September 18, 1931, was made on October 16th with their approval. Although the Mukden-Hailung (a Chinese owned and built line) is operating under a Chinese management, Japanese advisers completely control its financial operations. The status of the Kirin-Hailung Railway, built by the Kirin provincial government, has not been altered as far as is known. The Kirin-Tunhua Railway, one of the Japanese built lines, has, for purposes of operation, been combined with the Kirin-Changchun Railway and is under the direction of the South Manchuria Railway Company, as is the latter line.

The Ssu-Tao and Tao-Ang lines which are now under one Chinese

Director General although probably still maintaining separate head offices likewise are controlled by the South Manchuria Railway Company and according to a recent Japanese press report the Tsitsihar-Koshan Railway, Chinese built, is under the management of the Tao-Ang Railway (there is one Chinese Director General for the three lines). The Chengchiatun-Tungliao branch of the Ssu-Tao Railway has been out of commission since the latter part of October and recently Japanese Headquarters reported that some twenty-five kilometers of trackage have been totally destroyed. Through passenger trains between Ssupingkai and Tsitsihar and between Mukden and Tsitsihar since December 20 are being operated over this route and Japanese railway guards are stationed along these lines as far north as Angangchi. In other words, these two lines are operated as part of the South Manchuria Railway system and through the Chinese Director General some control, at least, is exercised over the Chinese Tsitsihar-Koshan line.

Another serious complaint of the Japanese against the former Chinese authorities was their refusal to carry out the agreements for the construction of the extension of the Kirin-Tunhua Railway to the Korean border (Kirin-Kainei Railway) and for the construction of the Changchun-Talai Railway. The building of these lines has been the subject of several agreements, the last one having been signed at Peking in May 1928 by Chang Tso-lin's government. Recently reports have appeared in the press on several occasions to the effect that the Japanese intend building these lines in the near future. It was reported that a party of Japanese surveyors was sent over the proposed route of the Tunhua-Kainei line during the past two months and that some equipment for construction purposes has been sent to Tunhua. Economically and strategically the building of this line at this time does not appear urgent. It is possible, however, that political considerations in Japan may induce its early construction. Although no definite decision may have yet been reached, well-informed Japanese have expressed the opinion that this project will probably be started in the spring of 1932. Other projects, it is thought, are likely to be deferred.

Although it may be premature at this time to make definite statements in regard to future railway developments in Manchuria, it can safely be stated that the Chinese scheme of railway construction, as prepared by the Communications Commission at Mukden in 1930, is dead. The railways that were built with Japanese money (South Manchuria Railway Company) and are now being operated as a part of the South Manchuria Railway system are likely to continue to be operated in that manner for a considerable time at least. According

to a recent authoritative statement by a high Japanese diplomatic officer in China to an American press representative (*New York Times*), Japan has no intention of depriving the Chinese of these lines but will not return them before certain conditions are fulfilled. The existence of a stable and responsible government in China from which Japan will require a blanket stipulation in a new treaty recognizing direct negotiations between Japan and the local governments for the settlement of Manchurian problems and subsequently the conclusion of these negotiations were given as the requisite conditions. This program, if adhered to, may not be realizable for many years for very obvious reasons, a fact which is no doubt fully appreciated. At least it gives the Japanese operation of these lines an appearance of impermanence.

Too, there are other railways to be built in Manchuria with Japanese funds as provided for in Sino-Japanese treaties, the implementing of which is one of the proclaimed objects of the military occupation. Japan obviously intends to dominate the governments in Manchuria no matter what may eventuate and consequently it will control directly or indirectly the whole network of railways in Manchuria with the possible exception of the Chinese Eastern Railway. In view of these circumstances, it is reasonable to expect that railway construction in the future will be carried on either by Japanese or by Sino-Japanese interests, not by independent Chinese interests.

In the past few years, the Chinese built lines have been large purchasers of American equipment, such as steel rails, locomotives and freight and passenger cars—the Kirin-Hailung line has only American equipment—while the Japanese built lines have bought very little American railway material—no rolling stock at all and only a small part of their rail requirements. These lines have purchased Japanese equipment. Under these circumstances, the outlook for the sale of American railway equipment in Manchuria is by no means bright. The "open door" may not be closed but indications are unmistakable that the market is no longer open.

Respectfully yours, M. S. MYERS

793.94/3443 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 8, 1932—2 p.m.
[Received January 8—5:40 a.m.]

4. Your No. 2, January 7, noon.

[1.] I delivered the note to the Chinese Minister of Foreign Affairs at 1 p.m. After reading it he said he would reply in due course.

2. The Minister for Foreign Affairs informed me that the Chinese Government has determined upon the following steps which will be taken "almost immediately": (1st) to break off diplomatic relations with Japan; (2d), to address the League of Nations invoking against Japan the economic sanctions provided for in article 16 of the Covenant. In reply to a question he added that the second step would necessarily involve an earlier meeting of the League Council.

Repeated to Legation.

PECK

793.94/3441 : Telegram

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

TOKYO, January 8, 1932—4 p.m.
[Received January 8—8:05 a.m.]

3. Neville and I were invited, at Inukai's suggestion, to pose with him for a Movietone introducing him to the American public. His speech, which the Fox organization will present later, declares peace is now restored in Manchuria and his expectation that orderly civil processes will follow. The Prime Minister and I had at his instance, a conversation before the picture was taken. I referred to a suggestion he had made in a previous conversation that work would be offered to Chinese ex-soldiers so that they would disarm and abandon banditry, and I asked whether there was any expectation that this program would be carried out. He expressed the hope that this would soon be possible.

Yesterday's paper contained a vigorous statement, purporting to be an interview given out by Minami, asserting Japan proposed to extend her control over Manchuria and Mongolia and would brook no interference on the part of any outside nation with her activities in China. I asked the Prime Minister if this meant Japan was now proposing to extend her pretensions over Mongolia as well as Manchuria; to which he replied the Japanese spoke of Manchuria and Mongolia together, meaning Eastern Inner Mongolia next to Manchuria and that they had no intention of reaching out after Outer Mongolia. I then suggested it would be helpful to us if we could have a map indicating what Japan regarded as the present boundaries of Manchuria; at which he laughed and said it would be difficult as the boundaries are indeterminate.

There was no allusion to the Chamberlain case.

FORBES

793.94/3444 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 8, 1932—5 p.m.
[Received January 8—9:55 a.m.]

5. My No. 4, January 8, 2 p.m. At 4 p.m. the Minister for Foreign Affairs sent for me in haste and informed me that after studying the communication which I had handed to him at 1 p.m. the Chinese Government had decided to hold in abeyance temporarily the severing of relations and the appeal to the League. The reason for this was that the Chinese Government wished to investigate the possibility that the communication addressed by the American Government to China and Japan might accomplish the same [result?] which the Chinese Government had sought to achieve by those measures. Mr. Chen said that although the note referred by name only to the Pact of Paris nevertheless its text would indicate that it was based also on the Nine-Power Treaty on principles and policies and he inquired whether I could inform him whether the American Government in drafting its communication had that treaty in mind as well as the Pact of Paris. He also inquired whether the American Government had any intention to convene a conference of the signatories of the said treaty or failing that what the attitude of the American Government would be toward a request by China that such a conference be convened. I told Mr. Chen that I had no information on these points and suggested that he might desire to instruct the Chinese Minister in Washington to approach the Secretary of State. He replied that in view of the important decisions at stake his Government earnestly desired to obtain the information described above at the earliest possible moment and he requested that I telegraph direct to which I then assented. He said that it was his wish that I keep in close contact with my British colleague on this matter.

Repeated to the Legation.

PECK

793.94/3462 : Telegram

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

PEIPING, January 8, 1932—5 p.m.
[Received 6 p.m.]

40. Legation's 35, January 7, 8 p.m.[16] Following from American Consul General at Harbin:

[16] Vol. IV, p. 735.

"January 7, noon.

1. Conditions at Harbin yesterday and last night quiet with fewer police patrolling the streets.

2. Latest reports indicate that situation Manchuria Station, Hailar and Tsitsihar fairly normal except that business is very bad in these places.

3. Yesterday at 11 a.m. General Ma crossed the frozen Sungari by motor car and proceeded to the residence of General Chang Ching-hui, where he had a conference with the latter lasting 3 hours. It is believed that they discussed matters relative to General Ma's return to Tsitsihar to maintain peace and order upon which the few Japanese soldiers there would be withdrawn. General Ma recrossed the Sungari and left Sungpuchen for Hailun at 4 p.m.

4. General Chang Ching-hui left Harbin for Tsitsihar at 5:20 p.m. yesterday ostensibly to examine into conditions there but probably to proclaim the independence of Heilungkiang Province. Chinese press reports that he will return to Harbin on the 9th. A prominent Chinese official of the Chinese Eastern Railway informed me last night that he believed Chang would soon proceed to Mukden and there together with Hsi Chia, *Chang Kuan* of Kirin Province, and Tsang Shih-y, *Chang Kuan* of Fengtien Province, declare the three provinces united and agree upon a head official for Manchuria, perhaps Chang Tso-hsiang, Chang Ching-hui or the ex-Emperor Pu Yi. It is my opinion that the moves of these officials are being directed by the Japanese military.

5. A letter dated January 5th received from a reliable American at Manchuria Station states that he had a report from one of his employees who had just returned from Siberia to the effect that the barracks in Siberia which were full of troops at the time of the Russo-Chinese conflict 2 years ago are empty, but that the Soviet officials were nearly all prepared for war with Japan, that all officers born in 1898 had been called out for a second term, that at Chita the Red command had taken over several freight-car loads of winter boots originally intended for sale in China and that huge amounts of dry bread were being accumulated in warehouses.

It is my opinion that Soviet officials are not contemplating an offensive war but are afraid that the Japanese might attempt to invade Siberia. Soviet officials here fear that Mo Te-hui, president, and Li Shao-ken, vice president, of the Chinese Eastern Railway will be replaced by pro-Japanese Chinese who will attempt gradually to lessen Soviet influence in the railway."

JOHNSON

793.94/3444 : Telegram

The Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, January 8, 1932—5 p.m.

3. Your 4, January 8, 2 p.m., and 5, January 8, 5 p.m. This Government's note of January 7 envisages provisions of all treaties by virtue of which the United States has rights in and with regard to

Manchuria. Without making any commitment, either affirmative or negative, with regard to its future course of action, which course will depend on developments, the Department perceives at present no immediate occasion for calling a conference and believes that it would not be opportune under existing circumstances to propose that step.

You may so inform Foreign Minister orally and Department will so inform Chinese Minister here.

Repeat to Peiping as Dept's No. 8.

STIMSON

793.94/3404

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck)

[WASHINGTON,] January 8, 1932.

In connection with the inquiry communicated by Consul General Peck on behalf of the Chinese Minister for Foreign Affairs, with regard to the possibility that this Government will call a conference under the Nine-Power Treaty; and, in connection with the Department's reply of January 8 (copies attached), Mr. Hornbeck asked the Chinese Minister to call.

The Minister repeated, with emphasis, expression of his gratification, expressed earlier in the day, over the American Government's note of January 7.

Mr. Hornbeck inquired whether the Minister had received anything from his Government on that subject. The Minister said that he had not.

Mr. Hornbeck then said that we had received an inquiry through Consul General Peck on behalf of the Chinese Foreign Minister; the Minister had inquired with regard to the possibility that the American Government intended now to call a conference under the Nine-Power Treaty. He said that this Government did not desire to commit itself at this point, either affirmatively or negatively, with regard to intentions and steps contemplated for the future. We had just taken, as the Minister realized, a very important step. It would be desirable to watch developments. The Manchuria question is of very great importance, but many other questions and problems are on the world's calendar, compelling immediate attention. It would not seem that at this moment there was occasion or that it would be opportune under present circumstances to raise the question of calling a conference.

The Minister said that, immediately after the Secretary of State had informed him on January 7 of the contents of our note, he had telegraphed his Government reporting the facts and expressing his view that this action introduced a very helpful factor in the situation.

He read the text of his telegram. He said that he had no doubt but that the inquiry of the Minister for Foreign Affairs had been made before receipt of his telegram. He said that, although he thought that the calling of a conference would be helpful, he realized that many factors, including that of timeliness, had to be given consideration. He said that he realized that the Manchuria question had been the subject of a great deal of inter-communication among governments—as was expressly provided for in Article 7 of the Nine-Power Treaty. He hoped, however, that serious thought would continue to be given to the advantages which might be derived from the holding of a conference expressly called *ad hoc*.

S[TANLEY] K. H[ORNBECK]

793.94/3469 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, January 9, 1932—1 p.m.
[Received January 9—9:50 a.m.]

7. Foreign Office has at noon today handed the following communiqué to press correspondents:

"His Majesty's Government stand by the policy of the open door for international trade in Manchuria which is guaranteed by the Nine-Power Treaty of Washington. Since recent events in Manchuria the Japanese representative on the Council of the League of Nations stated on October 13th[17] that Japan was the champion in Manchuria of the principle of equal opportunity and of the open door for the economic activities of all nations. Further, on December 28th the Japanese Prime Minister stated[18] that Japan would adhere to the open-door policy and would welcome foreign participation and cooperation in Manchurian enterprises. In view of these statements His Majesty's Government does not consider it necessary to address any formal note to the Japanese Government on the lines of the American Government's note, but the Japanese Ambassador has been requested to obtain confirmation of these assurances from his Government."

ATHERTON

793.94/3472 : Telegram

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

PEIPING, January 11, 1932—10 a.m.
[Received January 11—3 a.m.]

48. Following from Consul General at Harbin:

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[17] For brief report of this statement, see telegram No. 196, October 14, 1931, 9 a.m., from the Consul at Geneva, *Foreign Relations*, 1931, vol. III, p. 189.

[18] See *aide-mémoire* of January 11 from the British Embassy, p. 22.

"January 9, 11 a.m.

1. At noon on January 7 at Tsitsihar General Chang Ching-hui announced that he had on January 3rd taken over the control of all military and civil affairs in Heilungkiang Province with the title of Shengchang[19] and notified Chinese Government orally in only Mukden, Kirin and Harbin to this effect.

2. General Ma will probably serve under Governor Chang as commander of the provincial military forces.

3. General Ting Chao, who has begun to lean toward the Japanese, commenced yesterday to commandeer 30 auto buses to carry troops south of Harbin against a large band of brigands, who appeared to be threatening to march on Harbin. By the time he had gathered the buses he received a report that the brigands had scattered so he did not send the troops. This gave rise to rumor that Kirin troops were being sent to Harbin and that he had decided to resist them."

JOHNSON

793.94/3471 : Telegram

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

PEIPING, January 11, 1932—11 a.m.
[Received January 11—2:50 a.m.]

49. Following from Consul General at Nanking:

"January 9, 4 p.m. In compliance with the desire of the Minister of Foreign Affairs, Ingram and I had a long talk with him today in the course of which Chen gave us a confidential, complete and very frank explanation of the predicament of the National Government. Synopsis of his statement follows:

Sun Fo left Nanking for Shanghai January 8, 11 p.m., and may not return. The principal reason of his departure is the refusal of important members of the party and the Government to take up their posts, owing to their fear that the Government will not be able to solve the Japanese controversy in a way to meet popular sentiment and their knowledge that failure will subject them to violent attack. It is the sincere conviction of Chen that no National Government which fails to eject Japan from the occupied areas or at least to take positive steps to that end can henceforth survive in China. The decision to sever diplomatic relations with Japan was occasioned by this feeling and by a hope that effective third-party intervention might be brought about. Chinese leaders here seem to feel unanimously that China must suffer diplomatic distresses if faced with Japan alone. Chen admitted that under the new system if Sun Fo resigns all other members of the Government must likewise go. He predicts that Chiang Kai-shek would be unable to form and maintain another government and that the disintegration of the National Government will necessarily result in a dangerous spread of communist power. He says local military leaders will be unable to stem this tide because the troops have been

[19] Provincial governor.

influenced by communism and are behind in their pay and rebellious. Ingram is making report of the same tenor.

The Minister of Railways informs me that Sun Fo went to Shanghai to persuade Wang Ching-wei to take up duties in the Government and will go to home of Chiang Kai-shek for the same purpose. This information attributed predicament of the Government half to Japanese invasion and half to lack of cooperation from Chiang and others."

JOHNSON

793.94/3473 : Telegram

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

PEIPING, January 11, 1932—6 p.m.
[Received January 11—9:50 a.m.]

51. Wellington Koo called this noon and inquired as to the significance of the Department's notes to China and to Department's telegram. I informed him orally of the contents of Department's 3, January 8, 5 p.m., to Nanking. In the course of the conversation, during which he brought up the question of a conference under the Nine-Power Treaty, he expressed belief that there could be no settlement to the Manchurian question unless realities were boldly and honestly faced and the interests of all three parties to the questions involved in the situation in Manchuria, namely, China, Japan and Russia, were taken into consideration at such conference. He expressed the belief that Russia must necessarily be a party to such conference. I told Koo that I had no information as to the Department's views in regard to such a conference either as to its composition or as to the time of holding it. I said that I felt that among the factors to be taken into consideration in determining the time when such a conference should be called would be the existence of a responsible government in China with a leadership capable of facing the problems involved and committing itself to a plan for their settlement.

JOHNSON

793.94/3485 : Telegram

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

PARIS, January 11, 1932—6 p.m.
[Received 6:22 p.m.]

21. In a conversation which the Counsellor of the Embassy had this morning with the Chief of the Far Eastern Section of the Foreign Office the question of the Manchurian situation came up and reference

was made to the recent American note to the Japanese and Chinese Governments and to what if any action France proposed to take in the premises.

Monsieur Naggiar said that the Belgian Embassy had recently asked the Foreign Office what reply they proposed to make on the American Government's suggestion that the other powers signatory to the Nine-Power Treaty send notes to the Chinese Government and the Japanese Government in the same sense as the American note. Naggiar said that the Foreign Office had replied to the Belgian Embassy that no such request had been made to the French Government by the United States Government. He added that the Foreign Office had telegraphed Claudel to ask whether such a request had been made of him and that a reply had been received that no request either official or unofficial had been made[20] but that meeting you informally at a dinner you had referred to the matter expressing the hope that the French Government might take similar action. Naggiar said that on January 3 last following the taking of Chinchow the French Government had proposed at Washington and London that further *démarches* be made divided along the lines of the representations made by the three Ambassadors on December 23 but that neither Washington nor London had felt such a move at that time advisable. He was of course *au courant* of the communiqué issued by the British Foreign Office on January 9 to the effect that the British were not joining with us and indicated that in view of the British stand he did not think that the French could very well agree to join in with the American proposal even if made. He went on to say however for our confidential information that Briand was for the moment considering whether some form of statement should not be made by the President of the Council of the League of Nations to Japan and China making reference to the resolution of the Council of December 10th last. This is merely under discussion however and Naggiar particularly requested that no mention be made of it. It was made plain to Naggiar that the Embassy had received no instructions to take up the matter and was merely interested in learning the French Government's views.

EDGE

793.94/3488

The British Embassy to the Department of State

AIDE-MÉMOIRE

Sir John Simon fully understands the action taken by the United States Government in addressing to the Chinese and Japanese Gov-

[20] See memorandum by the Secretary of State, January 7, p. 10.

ernments their note of January 7th. This action in substance corresponds with the feelings of His Majesty's Government in the United Kingdom. At the same time the latter have felt that as a League Power their position is somewhat different in view of the explicit declaration made by the Japanese delegate to the Council of the League on October 13th, to the effect that Japan had no territorial ambitions in Manchuria and was the champion in Manchuria of the principle of equal opportunity and the open door for the economic activities of all nations.

Sir John Simon has therefore confined his action to saying to the Japanese Ambassador on January 8th that the effect of the recent Japanese action in Manchuria upon the "open door" was likely to be raised in Parliament as soon as it reassembled. Sir John Simon recalled the Japanese declaration of October 13th and a similar statement by the Japanese Prime Minister reported by Reuter's Agency on December 28th, and said that while His Majesty's Government had no reason to doubt these declarations, he would be glad if the Japanese Ambassador would communicate with his Government and obtain specific authority to confirm them. This would enable Sir John Simon to give a satisfactory answer in Parliament and would meet the situation on this point so far as His Majesty's Government in the United Kingdom were concerned.

Sir John Simon also suggested that the Japanese Government might consider making a satisfactory declaration at the meeting of the Council of the League on January 25th of their determination to respect the provisions of the Nine Power Treaty. The Ambassador expressed appreciation of both suggestions and promised to communicate them to Tokyo.

WASHINGTON, 11 January, 1932.

793.94/3497

The Netherlands Legation to the Department of State

No. 166 NOTE VERBALE

The Netherland Minister has not failed to communicate to his Government the contents of the note remitted to him by the Secretary of State on January seventh which note was sent by the Department of State to the Republican Chinese and Imperial Japanese Governments.

In reply thereto the Netherland Minister has been instructed to present to the Secretary of State the thanks of the Netherland Government for that communication.

The Netherland Government shares the confidence expressed by the American Government that the neutral commission will facilitate the solution of the difficulties in Manchuria. The Netherland Government considers that it would be in the common interest of the whole world, which, shaken by the most severe and prolonged crisis, needs more than ever good international relations, if a friendly settlement between China and Japan were reached at an earliest possible date.

As far as principles are concerned, which have moved the American Government to address itself to China and Japan, it seems scarcely necessary to say, that they are a matter of the liveliest interest to the Netherland Government.

The United States Government has suggested that the latter might consider to take a similar action. The Netherland Government doubts whether this procedure would be expedient in the circumstances. The Chinese and Japanese Governments have replied to the American note and therefore their points of view have already been stated.[21] Moreover the Netherlands as a member of the League of Nations must bear in mind that the Council of the League, in warmly welcomed cooperation with the United States, is doing its utmost and will doubtless continue to try to prevent unfavorable developments and to contribute to an acceptable solution of the difficulties.

WASHINGTON, 12 January, 1932.

793.94/3502 : Telegram

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

PEIPING, January 13, 1932—2 p.m.
[Received January 13—1:45 p.m.]

61. Following from American Consul General at Harbin:

"January 11, 2 p.m. Local Chinese officials and press state that yesterday at 2 p.m. a Japanese airplane dropped bombs into Pinhsien where meeting of representatives from districts not under control of Hsi Chia was taking place and that some casualties and damage resulted. Report confirmed by an American missionary who sent Chinese doctor to treat wounded, but Ohashi informed me that the Japanese military mission here stated that it had received no report of such bombing."

"January 12, 6 p.m. Chinese officials state that Yushu was bombed by a Japanese aeroplane on the 9th, and Wutaitzu village near Yushu and Wuchang on the 10th."

JOHNSON

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[21] This sentence apparently deleted as erroneous in text published in the Netherlands.

793.94/3507 : Telegram

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

PEIPING, January 13, 1932—5 p.m.
[Received 11:24 p.m.[22]]

64. Following from American Consul General at Nanking:

"1. Eugene Chen, Minister of Foreign Affairs, went to Shanghai January 11, 11 a.m., and Yeh Kung-cho, Minister of Railways, January 11, 11 p.m. Yesterday afternoon Yeh informed W. H. Donald that Sun Fo, Eugene Chen and other members of the Government, now in Shanghai, are desperately attempting to devise some way to cope with the dangers threatening China and seem prepared to adopt any course of action no matter how 'radical', such as begging for assistance from the Soviet Government. At the railway station Yeh confirmed this to me.

2. The present Government has the double task of protecting the nation from the Japanese invasion and of maintaining its own existence. The Chinese seem to be convinced that the Japanese under the domination of the military party are now actually pushing their forces into Jehol and into the Tientsin area with Shantung as their goal. They seem to realize that war would certainly be disastrous and would only facilitate the Japanese conquest. They profess entire disbelief in Japanese promises of withdrawal from Manchuria and elsewhere. Internally the Government is confronted with maturing obligations incurred by the previous regime mainly for the support of military forces in the provinces. Having demanded and achieved the elimination of Chiang Kai-shek from the Government they now realize their inability to do without him. High dignitaries have been sent to implore Chiang, Wang Ching-wei and Hu Han-min to take up their posts. Several hundred Nanking students left Nanking last night for Shanghai with the same object in cars supplied gratis. It is difficult to see what material improvement in the Manchurian situation could be made by the three leaders who are now absent but Chinese popular opinion seems to be that their participation in the Government would counteract the separatist tendency prevalent throughout China. The feeling is that owing to economic destitution and communist intrigue complete chaos will ensue unless this tendency is checked.

In the face of these forebodings the only discernible ground for optimism is the inherent stability of the Chinese race which quality has enabled the nation to reestablish itself after similar crises in the past.

3. In regard to Chang Hsueh-liang the indications are that whereas the former regime had a sympathetic understanding with him the present Government has attempted to remove him but is now powerless to do so and will soon be begging for his assistance.

4. The identic note of January 7 has aroused among the Chinese

[22] Telegram in three sections.

gratitude for the friendship displayed but there is slight expectation that the aggressive policy attributed to Japan will be checked by the note."

JOHNSON

793.94/3503 : Telegram

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

PEIPING, January 13, 1932—6 p.m.
[Received January 13—12:25 p.m.]

65. The newspapers indicate that General McCoy has agreed to serve on the committee which the League is sending to Manchuria to make an investigation. I desire to place in the hands of the Department the following appreciation of the situation for such use as the Department cares to make of it.

The Japanese by force of arms have now occupied all important places in Manchuria and are in control of all means of communications. They have also obtained control over the administration of Manchuria which is being maintained through Chinese organizations almost completely in the hands of Japanese advisers. So far as I know there is no communication between authorities in China south of the Wall and authorities in Manchuria. It is still uncertain whether the Japanese will push their line as far west as Jehol. To all intents and purposes Manchuria, from Shanhaikwan to Tsitsihar, and from Tsitsihar to Harbin, and from Harbin to Tumen, and the area bounded by these places, is as separated from China and Chinese control as is Formosa.

This occupation began on September 18th when the Japanese announced that it was necessary to obtain a settlement of outstanding questions with China and to secure protection for Japanese interests and property.

I am more and more convinced that Japanese activities in Manchuria must be viewed in the light of Russo-Japanese relations rather than Sino-Japanese relations. It would appear that the Japanese Government made a careful survey of conditions in China last summer and reached the conclusion that China was disintegrating, that Chinese leadership was losing its prestige, and that the Kuomintang was no longer powerful. The Japanese Government apparently believed that Chang Hsueh-liang would not receive support from the government south of the Wall if attacked. With this knowledge and the belief that the powers were preoccupied with domestic troubles due to world-wide depression and that Soviet Russia was in no position to take action, the higher military authorities of Japan concluded that it was their opportunity to act in Manchuria and push Japan's strategic

boundary further west in preparation for the clash with Soviet Russia which they considered inevitable.

I am convinced there can be no settlement of the questions which have arisen in Manchuria that does not take into consideration the interests of China, Russia and Japan. China is too weak to maintain her sovereignty in Manchuria and is unable to maintain, as between Russia and Japan, the neutrality of Manchuria which lies between these two countries, both vitally interested in that area. No solution which does not take into consideration the interests of all three can be permanent. Unfortunately there is no government in China or group of leaders willing to face these problems honestly and take responsibility for their settlement for, being unable to maintain her position in Manchuria by force, China would have to accept a settlement which must impair her sovereignty there.

Nothing short of outside force or an economic collapse at home will persuade Japan to retire from her present position, it is my conviction.

It seems to me that the above considerations must be taken into account in connection with any investigation by the commission which is about to visit Manchuria or when considering the advisability of calling a conference under the Nine-Power Treaty for the purpose of finding a settlement of the Manchurian problem.

JOHNSON

793.94/3505 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 13, 1932—7 p.m.
[Received January 13—2 p.m.]

10. Your number 2, January 7, noon.

1. Following is translation of note addressed to the American Minister, dated January 12, but handed to me January 13, 11 a.m.:[23]

"Excellency: I have the honor to acknowledge the receipt of Your Excellency's note of January 8, 1932, stating that the recent military operations about Chinchow have destroyed the last remaining administrative authority of the Republic of China in South Manchuria as it existed before September 18, 1931; that the American Government is still confident that the neutral committee of investigation recently appointed by the Council of the League of Nations will facilitate the

[23] Telegram No. 12, January 16, 9 a.m., from the Consul General at Nanking, states as follows: "The Chinese Foreign Office has unofficially approved the translation as telegraphed to the Department but wishes to add 'three' after 'military forces in the' and 'advanced on' after 'Suichung and' and to delete the words 'this is all matter of record'." (793.94/3531)

final solution of the difficulties now existing between China and Japan; but that the American Government in view of the present situation and of its own rights and obligations deems that it is its duty to make the following notification to the Governments of China and Japan: That is, that the American Government cannot recognize as legal any situation *de facto* and that it does not intend to recognize any treaty or agreement concluded by the Chinese and Japanese Governments or their representatives which may impair treaty rights of the United States or its citizens in China, or which may impair the sovereignty, the independence, or the territorial and administrative integrity of China or which may violate the international policy relative to China commonly known as the open-door policy; and also that the American Government does not intend to recognize any situation, treaty or agreement which may be brought about by means violative of the pact against war signed by China, Japan and the United States at Paris on August 27, 1928.

It is amply evident that the American Government takes the most serious view of the lawless acts of the Japanese military forces in the [Three][24] Eastern Provinces and that it upholds, also, the dignity of international covenants and of the pact against war. The Chinese Government from the time that the present events in the northeast began on September 18th, 1931, and up to the present day, has in every respect fulfilled its duties as prescribed in the pact against war, and the Chinese Government therefore has taken no steps of any nature whatever calculated to aggravate the situation, but has, in accordance with procedures set forth in existing international covenants, asked that the signatory powers direct their special attention to these events.

The Japanese military forces, on the contrary, following the adoption of the resolution of the League of Nations of September 30th, 1931,[25] and the meeting of the Council on October 24, 1931,[26] have still continuously extended the field of their invasions and even after the passing of the League's resolution of December 10, 1931, have openly invaded and seized Chinchow, the seat of the Chinese local government. More recently Japan has occupied Suichung and [advanced on][24] Shanhaikuan and has increased the numbers of Japanese naval vessels and troops at Chinwangtao, Tientsin, and other places. In addition to this there are indications of an intention to attack Jehol. These violations of the Covenant of the League of Nations, the Nine-Power Treaty, and the pact against war and this disregard of the repeated decisions of the League are facts which it has not been possible to conceal. The Japanese Government, therefore, must bear full responsibility for all the events involved.

With reference to the notification of Your Excellency's Government that in this matter it does not recognize as legal any situation *de facto*,

[24] See footnote 23, p. 27.
[25] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 13.
[26] For text of resolution voted upon by the Council on October 24, see *ibid.*, p. 29.

I have the honor to state that the Chinese Government has repeatedly lodged with the Japanese Government the gravest protests against the various invasions and lawless acts perpetuated [*perpetrated*] by the Japanese troops since September 18, 1931, and has made it known internationally that the Chinese Government accords them no recognition whatsoever. This is all matter of record.[27]

With regard to the treaties or agreements referred to in the note under reply, I have the honor to state that the Chinese Government, basing its position on its sovereignty and independence and on the principle of territorial and administrative integrity, has absolutely no intention of concluding any treaties or agreements of the categories described.

It is the sincere hope of the Chinese Government that Your Excellency's Government will continue to promote the effectiveness of [the] international covenants in order that their dignity may be conserved.

I have the honor to bring the above to the attention of Your Excellency and to express the hope that you will transmit it to Your Excellency's Government for its information and action. Seal of the Ministry of Foreign Affairs. Signed, Chen Yu-jen (Eugene Chen)."

2. The Chinese Foreign Office states that Chinese text of this note has been telegraphed to the Chinese Legation in Washington but without instructions to deliver to the Department. I suggested that Foreign Office supply English translation as has often been done under similar circumstances but was informed that the absence of the Minister of Foreign Affairs made this impossible. It was added that possibly an English translation would be telegraphed to the Chinese Legation. I understand that the Minister of Foreign Affairs will return from Shanghai today.

3. Owing to the instruction for early transmission no Chinese translation was sent with the Department's note to the Minister of Foreign Affairs which was contrary to the usual practice of the American Legation. I have attempted to make a literal translation of the reply and I invite attention of the Department to the slight misquotation of the Department's note which is to be found in that portion of the translation beginning "which may impair treaty rights" and ending "or which impair the sovereignty."

4. The Chinese Foreign Office informs me that the Chinese text of this note will be released after probable time of its receipt by the Department.

Repeated to the Legation.

PECK

[27] See footnote 23, p. 27.

793.94 Commission/25 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 14, 1932—6 p.m.
[Received January 14—2:20 p.m.]

14. Consulate's number 8, 3 p.m., and number 10, January 11, 6 p.m.[29]

1. Manchurian Commission formally "constituted" today.

2. Due to Lord Lytton's inability to be present earlier, first meeting of the Commission will take place in Geneva on January 21.

3. Lytton is urging that the European members of the Commission sail from Europe before the end of January and it is believed that other members of the Commission share his views and that there will be no delay in the Commission's proceeding.

4. While it is a matter for the Commissioners to determine at their forthcoming meeting, it is still believed that they will decide to travel via the United States.

GILBERT

793.94/3516 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 14, 1932—7 p.m.
[Received January 14—10:20 a.m.]

11. 1. In compliance with his request I called on the Minister of Foreign Affairs at 5 o'clock p.m. He showed me a Reuter bulletin dated Tokyo January 13th to the general effect that Japanese official circles stated that the Department's identic note of January 7th caused Eugene Chen to desist from tentative efforts to begin negotiations for the settlement of the Manchurian controversy. Chen characterized the statement as a lie and said he intended to publish an official denial. He said he could not have approached the Japanese Consul General in Shanghai as alleged for he had never seen him and knew nothing about him.

2. I expressed gratification at his denial to me that the note had interrupted efforts to open negotiations. Although I had no instructions to express any views on the subject I felt safe in saying that the American Government instead of wishing to discourage such efforts would regard them as a good thing. Chen said that an important con-

[29] Neither printed.

ference would be held the same evening and that it was possible some way of beginning negotiations might be found.

Repeated to Legation.

PECK

793.94/3547

The Belgian Embassy to the Department of State

[Translation]

AIDE-MÉMOIRE

The Belgian Government has taken cognizance, with keen interest, [of] the note that the Government of the United States has addressed to China and Japan.

The Government of His Majesty attaches, in fact, great importance to the respect for treaties shown by the American Government in its communication, and in this respect, it notes particularly the American Government's declaration that it will not recognize in any way a situation which might be created by means contrary to the Kellogg Pact.

Furthermore, Belgium has already informed the Representatives of China and Japan that the action taken by the League of Nations in the interests of peace must be crowned with success, which action she has followed closely by delegating an observer to the Sessions of the Council at Geneva and at Paris.

The Government of His Majesty continues to follow attentively this question which is inscribed on the agenda of the Session of the Council of the League of Nations which will open on January 25.

WASHINGTON, January 15, 1932.

793.94/3542 : Telegram

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

PEIPING, January 17, 1932—11 a.m.
[Received January 17—3:10 a.m.]

82. Following from American Consul General at Mukden:

"January 16, 1 p.m. Telegram No. 32. Headquarters reports that a Japanese battalion occupied Tungliao January 14, noon, after ejecting 3,000 Chinese partisans; losses, Chinese 60, Japanese 0.

Reliable information is to the effect that these so-called partisans belonged to the Third Cavalry Brigade of which about 1,000 were in Tungliao."

JOHNSON

793.94 Commission/32 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 18, 1932—noon.
[Received 12:05 p.m.]

18. The following is the text of a letter dated January 16th (translated in the Consulate) which I have received this morning:

"Dear Mr. Gilbert: I am happy to inform you that the members of the Council having accepted the composition of the Commission of Inquiry which has been proposed to them by their president, the appointment of General McCoy as a member of the Commission was today definitely confirmed. I shall be glad if you would please bring this news to the knowledge of General McCoy.

You are likewise requested to inform him that the European members of the Commission will hold a preliminary meeting at Geneva on Thursday at 11 o'clock. During the course of this meeting the date of departure for the Far East will be fixed, which will probably take place at the end of the month. They will likewise have to decide on their itinerary. It seems that they can either take the Trans-Siberian Railway or pass by the United States. The latter itinerary would present in particular the advantage of permitting the European members to meet their American colleague as early as the beginning of February on their arrival in the United States. I shall not fail to inform you immediately concerning the decision of the European members so that General McCoy may make his preparations to join them in due time.

In view of the shortness of the time it has been impossible to invite General McCoy to come to Geneva to the preliminary meeting of next Thursday. The Commission cannot therefore be considered as finally constituted until he joins it.

I think it would be useful if you would draw the attention of General McCoy particularly to the question of the chairmanship of the Commission. It is evident that this question could be settled at the Geneva meeting only if he communicated in time his opinion on this subject to his European colleagues. Doubtless you have noticed certain press information according to which the President of the Council would appoint Lord Lytton as chairman of the Commission. This information is inexact. Mr. Briand had, it is true, thought of proposing to the members of the Council to appoint Lord Lytton as chairman but it was finally deemed preferable to leave this choice to the Commission itself. I am informed, moreover, unofficially that Lord Lytton will be proposed as chairman and that he is ready to accept these duties if his colleagues agreed to this proposal, as now seems probable. I believe that in the circumstances you will consider it useful to make known to General McCoy that the European members may either choose the chairman of the Commission with his approval or, if he does not send them any message, choose a chairman provisionally.

I shall not fail to continue to give you all information concerning the Commission which would be of a nature to interest you and to interest General McCoy. Avenol, Acting Secretary General."

1. I learn that this is regarded as a formal invitation to General McCoy and that a reply is expected.

2. I am informed that the transmission of this invitation through me arises from the present situation respecting Briand and that Briand has requested that matters concerning the commission at least for the present be cared for in Geneva.

3. It will be noted that in addition to the invitation there are other implied questions in the letter particularly those respecting the chairmanship of the Commission on which Drummond would if possible like to have an expression of General McCoy's opinions in order that this situation may be clarified as soon as possible.

4. Drummond states that he would appreciate it if I could be present informally at the meeting on January 21 in order conveniently to apprise General McCoy of the proceedings and possibly to convey a message from General McCoy as suggested under 3 above.

5. As I may possibly be asked for information concerning General McCoy's military status please inform me as to his status at present in relation to the Army and what his official status will be while serving on the Commission.

6. I would appreciate instructions on points raised in paragraphs 1, 3, 4, and 5 above.

GILBERT

793.94/4165

The Consul General at Mukden (Myers) to the Secretary of State

No. 428 MUKDEN, January 18, 1932.
[Received February 13.]

SIR: I have the honor to submit for the information of the Department the following account of alleged atrocities committed by the Japanese Army during its recent engagements in western Liaoning province. The incidents were reported to the Consulate General by . . . international correspondent for . . . [He] informed Mr. Vincent of the incidents in confidence and requested that the source of the information not be disclosed.

Immediately following the taking of Tahushan late in December by the Japanese Army, three Chinese described as bandits were burned alive in Tahushan. Other Chinese captured at the same time were forced to witness the burning in the hope that they would be frightened into disclosing certain information which the army authorities were desirous of obtaining. Members of the families of the Chinese witnessing the execution were allowed to bring them food and in this way the story was made known to . . .

Also immediately following the capture of Tahushan, approximately sixty Chinese from the outlying villages, not knowing of the capture, came into Tahushan to attend the market. They were captured by the Japanese and guarantees of good character were demanded of them. Forty-one of them were able to produce satisfactory evidence of good character and were released. The remaining nineteen or more, being unable to obtain satisfactory guarantees were executed by a Japanese firing squad.

In Tungliao on November 4th when the Japanese army was temporarily in occupation of the city, five Chinese were buried alive in rice sacks. The bodies were later exhumed by the Chinese and were shown to . . . when he was in Tungliao in the original sacks in which they were buried.

On January 4th, ten days prior to the capture of Tungliao by the Japanese army, the city was bombed by Japanese aeroplanes. Contrary to the Japanese reports of the bombing which stated that military positions only were attacked, the bombs were dropped in the principal market district killing over twenty civilian Chinese and causing large property damage. . . . is in possession of photographs taken of the damaged district just after the bombing.

The above information was obtained by . . . during the course of a trip which he recently made from Mukden to Tungliao via Tahushan. He states that he had no intimation of the occurrence of these atrocities prior to his departure from Mukden and was inclined to disbelieve the reports until evidence presented to him convinced him of their essential correctness.

Respectfully yours, M. S. MYERS

793.94/3566 : Telegram

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

PEIPING, January 19, 1932—6 p.m.
[Received January 19—11:10 a.m.[30]]

94. The following although not confirmed is transmitted as being put forth by the Rengo Japanese News Agency at Mukden:

"Preparations for establishing a new state in Manchuria have been completed. Leading Chinese at Mukden, constituting the backbone of the political move, are holding an important meeting at the Provincial Government office since yesterday the 15th. The conference is expected to be kept up until the end of the current month during which the programme for the organization of the new government will receive the final polishing and president, vice president and chief[s] of the various departments in the government will be selected. These

[30] Telegram in three sections.

things accomplished, a joint conference of Fengtien, Kirin and Heilungkiang Provinces will be held and the new state of Manchuria and Mongolia will be formally established.

The inauguration of the new state is anticipated to take place on February 21st. Important points decided upon by leading statesmen of the three provinces are:

1. *The territory.* The ultimate object of the new state is to combine Fengtien, Kirin, Heilungkiang, Jehol in autonomous Mongol domain, but in consideration of the prevailing state of affairs Fengtien, Kirin and Heilungkiang will be included in the republic for the time being.
2. *People.* The people of the new state will be called citizens, persons who lived in the territory for a certain designated period being admitted to the citizenship with equal rights and obligations without racial discrimination.
3. *Sovereign rights.* The sovereignty of the state belongs to the citizens.

The president of the new republic will be elected by unanimous vote of the heads of the three provinces. Under the president, executive, judicial and supervisory yuans will be established and military, diplomatic, civil administration, industrial and educational departments will be established under the executive yuan.

The three provinces maintaining the *status quo* for the time being will carry out the administration of the respective provinces under the executive yuan. Besides, a resources committee and communications committee will organize, the former to develop resources required especially for national defense and the latter to develop communications. These two committees will be placed under the direct control of the president.["]

JOHNSON

793.94/3588

The French Embassy to the Department of State

The President of the Council,[31] Minister of Foreign Affairs of the French Republic, agrees entirely with His Excellency the Secretary of State on the principles recalled by the American note of January 7th to the Japanese and Chinese Governments and on the treaties and pacts to which the note refers itself.

Mr. Briand himself, acting as President of the Council of the League of Nations, has taken advantage of the definitive constitution of the Commission of Inquiry to notify, on the 14th of this month, this decision to the members of the Council, including Japan and China. He recalled the important commitments stated in the two unanimous

[31] Of the League of Nations.

resolutions of the Council indicating that those commitments remained a formal guarantee against the pursuing of all territorial ambitions in Manchuria and that they permit us to judge as strictly temporary an exceptional situation which must normally end as soon as possible under the conditions stated in the resolution of September 30th.

Concerning the question of the open door in Manchuria, the statement made on this subject by the representative of Japan on October 30th during the public sitting of the Council of the League of Nations is in accord with the stipulations of the treaty of February 6th, 1922 and the Japanese Government confirmed its terms in the declaration annexed to the note which it remitted on December 27th to the French Ambassador in Tokyo.

Under the circumstances, the notification made on January 14th to the members of the Council seems to be the best way to parallel the recent step of the Secretary of State./.

WASHINGTON, January 19, 1932.

893.00/11836

Memorandum by the Consul General at Nanking (Peck) of a Conversation With the Chinese Minister for Foreign Affairs (Chen)[32]

[Extracts]

[NANKING,] January 19, 1932.

Mr. Peck inquired whether the National Government had actually decided to invoke Article XVI of the League Covenant[33] against Japan. Mr. Chen replied that the matter had been referred to the Chinese delegation in Geneva for preliminary investigation, and that the Government had not formally come to the decision referred to.

Mr. Peck made the same inquiry in regard to the matter of inviting a conference of the Nine Power Treaty signatories and Mr. Chen said that the decision had not been come to formally, as yet.

Mr. Peck then brought up the subject of the reported intention of the National Government to sever diplomatic relations with Japan. Mr. Chen explained that the Chinese military leaders, General Chiang Kai-shek, for example, were extremely loath to take any step that remotely suggested that China might be drawn into war with Japan,

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[32] Transmitted to the Minister in China as an enclosure to despatch dated January 22; copy of despatch and enclosure were transmitted to the Department by the Legation in China without covering letter, and were received on March 12.

[33] *Treaties, Conventions, etc., Between the United States of America and Other Powers*, 1910–1923 (Washington, Government Printing Office, 1923), vol. III, pp. 3336, 3341.

and consequently they were balking at the plan to sever diplomatic relations with that country. . . .

. . . . . .

Mr. Chen said that if diplomatic relations between China and Japan were to be severed he then would be at liberty to discuss Japanese foreign policies freely. His subsequent remarks apparently were intended to indicate the sort of remarks he would make under those conditions. He said that although the Shogunate had been abolished as an institution, it persisted in practice in the Japanese General Staff, which was the agency through which Japanese militaristic policy acted. It is impossible, or difficult, for one having a mind living in the modern world to realize the ambitions cherished by Japanese militarists. Manchuria they want, because in the future war for the mastery of the Pacific, which will be waged principally with the United States, they will need the material resources of Manchuria. But what they are really aiming at is Australia, a vast empty area in which Japanese can colonize and from which Japanese are now excluded. Of course, they would be unable to acquire Australia, unless they were first to defeat the United States. Mr. Chen said that the Japanese militarists were systematically planning this vast program and were consciously carrying out their plans, as for instance, in Manchuria at the present time.

Mr. Chen said he did not think that men like Shidehara entertained these ambitions, and it was because of this conviction that he went to Japan in the summer of 1931, but his experiences with and observations of the Japanese General Staff on that occasion convinced him of the truth of what he had just said, and now Shidehara and his party were no longer in power and the Japanese militarists were in no sense controlled by what the world considered the Japanese Government, but rather controlled it. He regarded the Inukai Government as the "Prisoner" of the Japanese General Staff.

(NOTE: Mr. Eugene Chen spoke with the utmost conviction and Mr. Peck could not but feel that Mr. Chen's account of what he believed to be the plans of the Japanese military party was based on some documentary evidence, and not on mere conjecture or hearsay.)

793.94/3579 : Telegram

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

PEIPING, January 20, 1932—11 a.m.
[Received January 20—7:45 a.m.]

96. Following is summary of two telegrams from Consul General, Nanking:

On 17th Peck and French Minister had interview with Chinese Minister for Foreign Affairs in the course of which Chen said that former policy of Chinese Government was passive or even pro-Japanese policy and that certain members of Chinese Government, including himself, had now determined on an active policy. If carried out such policy would result in invoking article 16 of League Covenant, requesting conference of Nine-Power signatories and rupture the diplomatic relations with Japan. He implied that a decision regarding all three measures was imminent and Peck inferred that these measures would be adopted and that Chen would resign unless diplomatic relations with Japan were severed.

Chen added that diplomatic questions would be decided by the emergency commission formed to act until the Standing Committee of the Political Council has been constituted.

On the following day Chen informed Peck that the Chinese Government had not yet definitely decided to take the three measures referred to above, as a rupture of diplomatic relations with Japan was strongly opposed by Chiang Kai-shek. Chen believed that Japan's occupation of Manchuria is intended to be permanent and that if China continues passive policy Japan will find pretexts for occupying Tientsin-Peiping and possibly other areas. Referring to financial matters Chen said that the gold conversion plan was being worked out but had not yet been fully decided. He would be surprised if Soong resumed his former post as Minister of Finance as Soong wanted to be Minister to France in order to promote large foreign loan. Chen was quite willing that he should have this appointment.

JOHNSON

793.94/3580 : Telegram

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

PEIPING, January 20, 1932—noon.
[Received January 20—6:47 a.m.]

97. Legation's 96, January 20, 11 a.m. In conversation with Koo yesterday the latter asked me what chance there was of a conference under the Nine-Power Treaty. I told him that I did not think there was any probability of the calling of such conference in the near future. He asked me if I did not think it wise for the Chinese to offer direct negotiations to the Japanese. I said I thought this was the thing that they should do. He asked me if I did not think it would put China in a more advantageous position, should such a conference be called, if the record showed that she had been willing to negotiate directly with the Japanese. I replied that I certainly thought the

Chinese position in any case would be improved. He stated that it was his opinion that China should offer direct negotiations, saying that if the Japanese should prove unreasonable in their demands China would still be in a position to appeal to such a conference. Koo seemed pessimistic about the situation at Nanking and expressed himself as believing that those now in power were without any positive policy in this matter. He left for Nanking yesterday afternoon . . . I believe with the idea that he is going to Hangchow to discuss the future with Chiang.

JOHNSON

793.94/3582 : Telegram

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

SHANGHAI, January 20, 1932—5 p.m.
[Received January 20—10:10 a.m.]

During the past week there have been at least three clashes between Chinese and Japanese, the most serious of which occurred early January 20th when a mob of Japanese set fire to a small Chinese factory just beyond Settlement limits apparently as a reprisal for an attack on Japanese monks on January 18th. In the ensuing fracas one Chinese policeman of the International Settlement was killed and several wounded, also one Japanese killed and two others wounded. Japanese member of the Council has declared to Council that Japanese were in the wrong and there will be probably no complications as regards the Settlement authorities but the presence in Shanghai of irresponsible elements among both Chinese and Japanese might easily provoke much more serious disobedience in the future.

Repeated to the Legation.

CUNNINGHAM

793.94/3749

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck)

[WASHINGTON,] January 20, 1932.

1. The Chinese Chargé said that he had a message from the Chinese Minister, en route to Geneva, asking whether a copy of this Government's note of January 7 to China and Japan had been communicated to the Council of the League. I replied that a copy had been sent to our Consulate at Geneva for the information of the Council.

The Chargé said that the Minister wished to know whether we would be represented at the next meeting of the Council. I said that the question had not been, so far as I knew, thus far discussed; that I had no doubt but that we would maintain a contact but saw no reason to expect that we would have anyone sitting in or directly associated with the meetings of the Council.

2. Acting on instruction of the Secretary, I told the Chargé that the Senate had some time ago asked for correspondence in relation to the Manchuria situation. I said that I assumed that the Chinese Legation knew of this. The Chargé replied that he did. I said that the Department was sending forward papers, including all of the written communications between this Government and the Chinese and Japanese Governments and some of the correspondence with the League; and that in all probability these papers would, before long, be made public; and that the Secretary desired that the Chinese and Japanese Governments be informed. I suggested that he communicate this information to his Government. He said that he would do so. I said casually that I supposed that it might be assumed that the Chinese Government would welcome this development. The Chargé said that he certainly could think of no reason why they should object and he thought they would probably be gratified.

3. The Chargé said that, without instruction from his Government, he would like to mention again the question of a conference under the Nine Power Treaty. He thought that things were tending more and more toward the necessity for a conference. I said that, without going into the question of the merits of that idea, it seemed to me that there would be little chance of obtaining consideration for it at the present time: for the next few weeks the calendars of all Governments are full.

S[TANLEY] K. H[ORNBECK]

793.94 Commission/32 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 20, 1932—5 p.m.

18. Your 18, January 18, noon. General McCoy has asked me to transmit to you the following message:

The points raised relative League Commission of Inquiry on Manchurian situation are answered as follows:

Paragraph 1. I request that you inform the President and Council of the League of Nations that I am honored to accept the invitation to serve on the Commission.

Paragraph 3. You may inform the Commission at its opening meet-

ing that I should be glad to serve under the Chairmanship of any of the European members, and that should Lord Lytton be proposed for Chairman and concurred in by the other members, I should like to make it unanimous and cast my vote accordingly.

Paragraph 4. I shall appreciate your attending the opening session and apprising me of the proceedings.

Paragraph 5. I am now a Major General on the active list of the Regular Army. While serving with the Commission I shall be on detached service.

STIMSON

793.94/3593 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 21, 1932—10 a.m.
[Received January 21—8:30 a.m.]

23. By the Council's resolution of December 10, 1931, the Council remained seized of the question of the Sino-Japanese conflict.

I learn that by virtue of the invitation and the acceptance of the American Government to be represented on the Council in its consideration of this matter in which acceptance I was specifically named as representative and in view of the fact that no formal exchanges have since taken place between the American Government and League authorities in this matter from a purely technical point of view I am still regarded by the League authorities as continuing in that capacity.

I am confident that I can so arrange matters privately through Drummond that this situation can be allowed to lapse and that the raising of this question can thus be entirely avoided. In view of the approaching meeting of the Council on January 25 which carries the Sino-Japanese question on its agenda, I would appreciate instructions.

GILBERT

793.94/3592 : Telegram

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

SHANGHAI, January 21, 1932—5 p.m.
[Received January 21—9:30 a.m.]

The following telegram has been sent to the Legation:

"January 21, 4 p.m. My January 20, 6 p.m. At Japanese mass meeting held on afternoon January 20th attended by about 12,000 Japanese, local Japanese Consul General was denounced for his failure

to obtain satisfaction in various local incidents. The crowd demonstrated in front of Japanese Consulate General and then marched through streets of Settlement to Japanese Marine headquarters. They smashed windows in Chinese shops and assaulted several Chinese. The entire police force of the Settlement is mobilized but so far no disorders today. Chinese and Japanese members of Settlement police force are functioning harmoniously. Another Japanese mass meeting scheduled for the 23rd."

CUNNINGHAM

793.94/3591 : Telegram

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

PEIPING, January 21, 1932—7 p.m.
[Received January 21—9:25 a.m.]

106. Legation's 68, January 14, noon.[34] Information from Jehol does not indicate a likelihood of a Japanese advance into that area until the Chinese bandits and irregulars in Fengtien have been suppressed. In view of the recent comparative success of the guerilla warfare by irregulars it would be difficult for the Japanese to proceed against Jehol without considerable reenforcements. Winter conditions and poor communications are further obstacles to such a campaign at this time.

JOHNSON

793.94 Commission/33 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 21, 1932—3 p.m.

19. Your 21, January 19, noon.[34] Reference staff of the Commission of Inquiry on Manchuria, General McCoy feels that an adequate personal staff for each Commissioner is essential to the proper performance of their duties on this important mission. General McCoy believes that under the present arrangements it will be impossible for the individual commissioners adequately to study, compile and analyze the mass of data and information necessary to arriving at intelligent and accurate opinions and conclusions or to conduct such individual reconnaissance or investigations in the outlying districts as are certain to be necessary in the course of the Commission's inquiry.

For your own personal information I concur with General McCoy in the belief that a personal staff for each commissioner is essential to

[34] Not printed.

the proper performance of their duties if it is intended that the Commission's inquiry should be thorough and complete. And furthermore I feel strongly that the individual commissioner should not be asked to bear the expenses involved in providing a necessary personal staff, but that such expense should be borne by the League.

Without making this an official representation, please submit General McCoy's views to the Chairman of the Commission of Inquiry with the suggestion that he submit this important matter of personal staffs for the commissioners to the League for reconsideration.

STIMSON

793.94/3593 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 21, 1932—4 p.m.

20. Your No. 23, January 21, 10 a.m. I consider it advisable that, as suggested in your final paragraph, you so arrange matters privately through Drummond that the matter of your technical relation to the Council be allowed to lapse and the question be not raised. I would wish you, however, to maintain cordial and intimate liaison with the Council, through Drummond or some other of the officers of the League, and to continue to send me full reports of the Council's proceedings.

STIMSON

893.77/2832

Memorandum by the Economic Adviser, Department of State (Feis)

[WASHINGTON,] January 21, 1932.

Mr. Kinney, American representative of the South Manchuria Railway Company, came in to talk with me this morning. I questioned him regarding the disposition of the Chinese railways in Manchuria. He said that they were in three different groups: (1) those to which the Chinese Government had made various loan advances which had not been repaid; (2) those which the Chinese had built out of their own funds but which were not competitive in any way with the South Manchuria Railway, and (3) the same as (2) but possibly competitive Chinese railways.

He thought that somewhat different handling might be made of each of these three groups. He anticipated that as soon as the new local

administrations were firmly set up in Manchuria, the South Manchuria Railway Company would enter into conference with these new authorities regarding the whole railway problem, and there work out a settlement.

I questioned him as to whether he anticipated that these local authorities would be in touch with Nanking, and he replied in the negative, giving as a reason the fact that the Nanking authorities had repudiated these new local authorities. He then stated that an important matter to be discussed in these railway conferences was the construction of new railways, the rights for which the Japanese already held under various treaties. The South Manchuria Railway is desirous of undertaking extensive new construction, and he stated that the Japanese Government would probably be willing to advance funds for this purpose. He went on to comment that this would bring benefit to the United States in the way of orders for railway materials, and so on.

I made no comment, but if these anticipations of Japanese policy are correct, it will almost certainly mean an attempt either of the Japanese Government or of the South Manchuria Railway to borrow abroad. The attraction of orders for railway material will probably be held out in return for loans in the American market. I consider these intimations additional reasons for being on the alert as regards Japanese financing in this country.

Mr. Kinney had just left Tokyo on December 17, and found nothing to indicate that the Japanese did not intend directly or indirectly to retain control over Manchuria.

H[ERBERT] F[EIS]

793.94 Commission/35 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 22, 1932—9 a.m.
[Received 10:35 a.m.]

24. Department's 18, January 20, 5 p.m.

1. Pursuant to General McCoy's request I yesterday attended the meeting of the Manchurian Commission, one session in the morning and a concluding session in the afternoon which lasted until a late hour. The Commission will not meet again here and the Commissioners have left Geneva.

2. I orally apprised the Commission of General McCoy's acceptance as a member and stated that I was formally so informing the President of the Council.

3. As all of the members of the Commission voted for Lord Lytton as chairman I likewise acquiesced in his designation, making it unanimous.

4. I am preparing a telegram giving the chief points taken up in the meeting and certain details concerning which it will be convenient for General McCoy to be informed.

GILBERT

793.94/3605 : Telegram

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

PEIPING, January 22, 1932—3 p.m.
[Received January 22—9:30 a.m.]

107. Following from Lieutenant Brown[36] at Mukden:

"Preparations being made Tsitsihar for increase in Japanese forces there, commanding officer states necessary in order to clear bandits. Chinese forces recently brought there from the south now withdrawn. Control Koshan Railway reported purchased from directors by the Japanese for 2 million yen.

Through railway traffic operating Tsitsihar to Mukden via Taonan with a mixed Chinese-Japanese staff and equipment which it is planned to use competition channels. This line guarded by the Japanese and a new Chinese army, Meng Ning special army, Japanese equipped. Outstanding impression gained was the degree of understanding which has apparently been reached by the Japanese and Chinese military in that area."

JOHNSON

793.94/3600 : Telegram

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

PEIPING, January 22, 1932—5 p.m.
[Received January 22—9:05 a.m.]

109. Following is summary of information from Lieutenant Brown at Harbin, January 15th:

1. Atamen Semenoff in daily conference with Japanese authorities and with several Mongol princes at Mukden. Japanese are working among both White Russians and Mongols with a view to employing them later this year.

2. Japanese troops in Manchuria consist of 7 full brigades of infantry, the 6 independent railway trains, cavalry, artillery, et cetera, in all about 30,000 regular troops.

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[36] Lt. Charles C. Brown, U.S.N., language officer of the Legation in China.

3. Japanese authorities at Harbin assert the existence of extensive Soviet propaganda in northern Manchuria detrimental to Japanese interests and claim that only the sternest of positive measures will succeed in stopping it. It is maintained that this is the most serious present menace to Japan especially by reason of the ability of the Soviets to purchase the assistance of Chinese of all classes. Japanese military state that their first task is to clear northern Manchuria of Chinese remnants and then eradicate all vestiges of bolshevist propaganda.

4. Japanese believe that the recent plot against the Emperor was the result of Russian intrigue in Harbin which centered there and extended over China as far as Shanghai.

5. At Manchouli conditions were quiet. People believe that the Japanese will come at least as far as the Hingan Range, and may possibly invade Soviet territory and that business will be better under their rule. Russians all believe that the Japanese are desirous of fighting them in which case the Russians would only act in self-defense. There is a difference of opinion whether a Japanese advance will come immediately in the spring or a year from now. It is agreed that Russians would not take the initiative even if possession of the Chinese Eastern Railway were at stake.

6. Brown's general impression is that if there is to be fighting between the two countries it will be Japan which forces the issue after indirectly attempting to provoke a Soviet initiative through Mongol and White Russian intrigue. In the spring Japan may move to the Hingan Range, in order to better direct this campaign of mercenaries on the border.

JOHNSON

793.94/3598 : Telegram

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

TOKYO, January 22, 1932—6 p.m.
[Received January 22—7:49 a.m.]

21. Japanese have despatched one cruiser, one airplane carrier and four destroyers to Shanghai with landing force of four to five hundred men.

The Government here state that they regard the disturbance as purely local like Tsingtau or Foochow but feel that some assurance may be necessary to prevent further rioting. Foreign Office states verbally that the Japanese Consul General has been instructed to take all questions up with the Chinese local authorities and/or with the

Municipal Council. No representations are to be made at Nanking at least for the present.

Repeated Peiping.

FORBES

793.94/3606 : Telegram

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

SHANGHAI, January 22, 1932—6 p.m.
[Received January 22—10:30 a.m.]

My telegram of January 21, 5 p.m., last sentence. Chairman of Shanghai Municipal Council called on me this morning and informed me that he intended to call at once on the Japanese Admiral and request him to arrange to preserve order at the Japanese mass meeting tomorrow afternoon. I told him emphatically that the Japanese Consul was the one who should be consulted rather than the Admiral; that it was better for the police to handle the situation if possible and I strongly suggested that he consult with the Japanese Consul General and leave it to the latter to determine whether to call on the Japanese military. I told him also that if conditions become such as to render it impossible for the Municipal Council including the volunteers to control the situation I thought the Council should apply to the Senior Consul for the assistance of all the powers. He said he believed it would be better to have the Japanese meet an emergency and if there were any shooting for them to do it rather than the Shanghai Municipal Council. I thought that in my opinion the Shanghai Municipal Council was better qualified to handle the situation than the Japanese military. That if it became a question of handling a Chinese mob the police would delay firing longer and possibly would be able to handle the situation. After some further remarks the Chairman stated that he would call on the Japanese Consul General and ask him to use his best offices to preserve order at the meeting and would later call on the Japanese Admiral and express the hope that he would work in coordination with the Japanese Consul General.

Press reports today that Japanese Admiral issued a statement that in case the Mayor fails to comply with the demands of the Japanese Consul General in connection with various anti-Japanese cases he, the Admiral, would take appropriate steps to protect the rights and interest of Japan.

Repeated to the Legation.

CUNNINGHAM

793.94/3648

Memorandum by the Secretary of State

[WASHINGTON,] January 22, 1932.

The Italian Ambassador called and read to me the following cable, received from Signor Grandi last night:

"Signor Grandi would have willingly assisted himself in the *démarche* of the American Government towards the Governments of Tokyo and Nanking. However, owing to the fact that Italy is a member of the League of Nations it does not seem possible, out of consideration for the other states belonging to the League, to act in regard to the Manchurian problem separately from the action of the League; more so, inasmuch as Italy as a member of the League has already received the assurances requested by the American note. Nevertheless, in order that Italy's abstention may not give the impression that the Italian Government is not in full accord with the United States on the substance of the questions concerning the Far East and with the aid of continuing in the cooperation which has proved so far so profitable in other fields, Minister Grandi has requested the Japanese Ambassador in Rome to confirm [to?] him the statements made to us by his colleague at Geneva."

He then asked me whether there was any truth in the story published in the Associated Press to the effect that the United States would have no objection to a security pact, provided the United States was not asked to join. I replied that no such inquiry had been made of me at all, and therefore no answer had been made to any such question by the United States, and it was therefore unnecessary to comment upon the statement.

He then informed me that he had arranged to have a man from the Italian Press Association stationed here in America, as the other press associations in Europe did, who would transmit information directly to Rome, instead of having it pass through Paris and London. This, he said, would result in much greater accuracy in communication and news.

H[ENRY] L. S[TIMSON]

793.94 Commission/36 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 23, 1932—10 a.m.
[Received 7:09 p.m.]

26. Consulate's 24, January 22, 9 a.m., paragraph 4. This telegram has been delayed owing to my desire to check certain points with Secretariat officials.

(1) The competence of the Commission. The terms of reference and competence of the Commission were discussed at some length but no formal decisions were taken. It seems to be the general opinion of those present that the Commission was free to make its own decisions in regard to the scope of its investigations and in regard to its competence with respect to given questions as they arise, taking of course as a basis the terms of reference laid down in the Council resolution of December 10th and the accompanying explanatory declaration of the President of the Council. The feeling of the Commission in general was, however, that the resolution restricted the investigation to the relations between China and Japan and did not include the relations between these states and third countries. It was pointed out, however, that the Chinese and Japanese Governments will have the right to request the Commission to consider any question the examination of which it particularly desires. The Commission nevertheless would have full discretion to determine the questions upon which it will act and upon which it will report to the Council (see paragraph 5 of the President's declaration to the Council commenting on the resolution of December 10).

During the discussion the question arose as to whether, in case of active hostilities between the two parties, the Commission might undertake measures to insure the cessation of hostilities. It was the general opinion that the Commission could not intervene directly and that its only course in such an eventuality would apparently be to exert its influence indirectly by reporting the matter immediately to the Council.

(2) Credentials. Each Commissioner will be given a "letter of mission" signed by the President of the Council. The Commissioners will each carry a diplomatic passport issued by their respective Governments, and Japanese and Chinese visas obtained.

(3) Choice of itinerary. On account of political inferences which might be drawn by the parties to the dispute the choice of itinerary was very carefully considered. If the Commission took the Trans-Siberian Railway they would arrive in the Far East by way of Manchuria. Since the Chinese Government is of the opinion that the efforts of the Commission should be directed principally to questions relative to Manchuria rather than to China as a whole, and, whereas Japan holds the contrary view and insists that the whole of China be included in the Commission's investigation, if the Commission were to arrive in Manchuria and begin immediately its investigation on the spot the inference might be drawn that the Commission favored the Chinese thesis. On the other hand if the Commission passed directly through Manchuria and went to Tokyo the inference might be drawn

that the Commission was partial to the Japanese viewpoint. By proceeding through the United States directly to Tokyo and passing from Tokyo to Shanghai and Nanking and only proceeding to Manchuria after having evidenced contact with the two Governments, any impressions of partiality would be obviated. In addition, to give further proof of impartiality, the Chinese assessor could be invited to join the Commission at Tokyo whereas the Japanese assessor would accompany the Commission to Nanking.

The route by way of the United States would in addition offer the advantage of allowing General McCoy to join the Commission in the United States and take part in its discussions on the way to the Far East. With these considerations in mind the Commission decided definitely to proceed by way of the United States.

(4) Itinerary. The four European Commissioners will sail from Europe on the 3rd, 4th, or 5th of February, the ship being shortly decided upon thus arriving in New York on the 8th, 9th or 12th of February. They will sail from San Francisco on February 25th on the *Tatsuta Maru* arriving at Yokohama on March 11th.

(5) Duration of inquiry. All estimates are based upon the inquiry extending over a period of 9 months including 15 days to be spent at a point chosen by the Commissioners to prepare their report.

(6) Status of assessors. From the discussion in the Commission it became evident that the status and role of the assessors is not entirely clear. It would appear from the discussions that the method of employing the assessors will have to be left to the Commission to decide according to circumstances of each case. It seems to be understood, however, that the assessors are not technically government representatives and their duties will be to give and check information. It was purposely provided that they should be paid out of the Commission's budget and not directly by their respective Governments. It was also agreed that the Commission would be free at any time to consult the officials of the respective Governments and would not have to confine themselves to applying for information or views merely to the assessors. Moreover, it was pointed out that the assessors would not have the right to vote or take part in the deliberations of the Commission. The Commission would be free to call upon them either together or separately as circumstances might require. It was suggested, however, that in most cases it would probably be preferable not to confront the assessors or officials of the two Governments in order to avoid raising controversies.

(7) Experts. Drummond informed the Commission that the Secretariat has considered the possibility of needing three experts for juridical, railway and economic questions respectively. As for the

juridical expert the Secretariat had arrived at the conclusion that Walter Young would be the best qualified person. He was, moreover, *persona grata* to the two Governments. He had already been approached on the subject by Dr. Crane and expressed the willingness to place his services at the disposal of the Commission for 6 months. He has not yet been definitely appointed.

As to the railway expert, the Secretariat has not yet taken any steps but wished to leave the question to the Commission to decide whether such an expert would be necessary. If the decision were in the affirmative the Secretariat suggested the name of Colonel Hiam, Canadian, formerly member of the Communication and Transit Section of the Secretariat and now employed by the Canadian Pacific. He resides in British Columbia and would join the Commission promptly if chosen.

As to the economic expert the Secretariat had made no efforts to find one and had no candidate to propose. If the Commission judged it necessary to have the services of an economic expert it could either engage one in the Far East or request the Secretariat by telegraph to choose a qualified person after consulting the President of the Economic Committee.

(8) Compensation. Chairman of the Commission, 2,667 francs per month; Commissioners, each 2,000 francs per month. (This and all subsequent figures are in Swiss francs.)

(9) Allowances. Subsistence allowance, 80 francs per diem on land and 20 per diem at sea; outfit allowance, 1,000.

(10) Personal insurance. Each Commissioner is insured for 250,000 for a period of 10 months; this is a group insurance and each Commissioner must give his age and have a physical examination. In view of the "group" feature I do not know exactly how it will be adjusted in the case of General McCoy as time does not permit his sending a medical certificate to Europe. The Commission Secretariat is, however, considering this matter and will work out the best possible adjustment. I suggest that if he so desires he provide himself for possible use with a medical certificate commonly required by insurance companies.

(11) Baggage insurance. Insurance will be provided for the baggage of the Commissioners.

(12) Travel and traveling expenses. Travel arrangements will in normal cases be made for the Commission by the Commission Secretariat and all such expenses borne by the League. I suggest that General McCoy keep vouchers for expenses which he may incur as a Commissioner.

(13) Dress. Each Commissioner with military rank is requested

to have with him a full dress which is essential for ceremonial occasions in Japan.

(14) Inoculation. It is desired that each Commissioner be inoculated against typhoid, cholera, dysentery, and smallpox and that he provide himself with pertinent certificates which may be required by local authorities in visiting certain areas.

(15) Mail address. The Commissioners' respective diplomatic missions in Japan and China.

(16) Personal assistants. This question was discussed at some length. The general feeling was that the needs of the Commission respecting assistants had been adequately provided for by the League. I feel that this decision was based on an understandable desire to exercise the greatest possible economy on the part of the League. While it is true that reimbursement is envisaged from Japan and China, such reimbursement will be certainly long delayed and possibly difficulties may be encountered in obtaining it. Thus, in the meantime, the charges must be borne by the League. In the second place it is felt that the party should be as small as is consistent with accomplishing its work and in particular that the entire staff of the Commission [apparent omission] as a whole. The Commission felt that it could not object to any Commissioner taking with him at his own expense any male clerical assistants (for several reasons it would be impracticable for women employees to accompany the Commission), at the same time it was pointed out that any such assistants would be for the "personal" work of the Commissioner and would not be expected to work for the Commission. Two exceptions were however made. The Chairman of the Commission will be accompanied by a secretary (Astor) who is conversant with Chinese. Astor is however personally paying all of his own expenses. General Claudel said that he hoped to arrange to have the French Government detail a French medical officer to accompany him, whose services would also be available to the Commission. The Commissioners welcomed this suggestion as it was felt that the services of a doctor introduced a special element which had no bearing upon the arrangements which the League had already made for the staff of the Commission.

(17) With reference to the preceding paragraph I brought forward the matter of personal assistants merely as an inquiry on the part of General McCoy in line with Department's number 14, January 18, 7 p.m.[37] The Department's number 19, January 21, 3 p.m., had not then been received. While I will be glad to discuss General McCoy's views on this subject with appropriate League officials I hesitate, unless specially instructed, to take this matter up with the League as

[37] Not printed.

representing the views of an individual Commissioner. Now that the Commission is organized and General McCoy has become a member, it would seem to me that any views on this or other matters which he might desire to express might more properly be addressed by him direct to the Chairman of the Commission.

(18) Relations between Commission and Chinese and Japanese representatives. The Secretariat made known that Dr. Yen, who will represent China at the next session of the Council, had expressed the desire to have an interview with the Commission at Geneva and deliver a memorandum. The Commission decided that anyone was free to address a memorandum by mail to the Commission but that it would be inadvisable for the latter to hold interviews with official representatives of the two parties before their arrival in the Far East.

(19) In the United States. It will be noted that the itinerary described above provides for about 2 weeks in the United States. The Commission as a whole did not develop any plans for that period although informally some of them stated that they would visit Washington. Should General McCoy desire to make special arrangements for joining the Commission or should any questions respecting their stay in the United States arise, I feel that he could best take these matters up with Lord Lytton (who will be in England until sailing close [*time?*], through our Embassy in London.

(20) Each member of the Commission stated individually that he would not be accompanied by any members of his family.

GILBERT

793.94/3617 : Telegram

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

SHANGHAI, January 23, 1932—noon.
[Received January 23—7:10 a.m.]

The following telegram has been sent to the Legation:

"January 23, noon. My telegram of January 22, 5 p.m.[38] General MacNaghten, Chairman of Shanghai Municipal Council, and Fessenden, Secretary General, called on Japanese Admiral yesterday in company with Japanese Consul General. After considerable discussion the Admiral agreed that he would take no action in the Settlement without first consulting with the Settlement authority. The Commissioner of Police of the Settlement reported last night that both the Japanese Admiral and the Japanese Consul General had recommended to their nationals that the Japanese mass meeting called for this afternoon should be abandoned and it is not believed that it will be held.

[38] See telegram of January 22, 6 p.m., to the Department, p. 47.

I have received from Municipal Council a copy of Japanese Admiral's statement or so-called ultimatum, referred to in paragraph 2 of my telegram January 22, 5 p.m. It is substantially as already reported. When calling on the Mayor this morning the latter stated that he had not received it and believed that it was intended to be merely a published warning. No time limit was given."

CUNNINGHAM

793.94/3613 : Telegram

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

PEIPING, January 23, 1932—1 p.m.
[Received January 23—2:40 a.m.]

113. Following from American Consul General at Harbin:

"January 21, 5 p.m. Commissioner of Foreign Affairs informed Chamberlain today that Pinhsien last bombed on 16th and Yuanshu, Wuchang and neighboring places last few days, Japanese aeroplane flew over Harbin yesterday, that Cheng Jun, head of the Pinhsien Government, is determined to hold out against the new regime until the receipt of orders from Nanking and that local newspapers are so fearful of Japanese influence that they dare not publish reports of bombing.

2. I have no confirmation of reports of bombing. Japanese have informed me that it is sure that agreement has been reached whereby Pinhsien Government will be dissolved. I believe that it cannot maintain itself.

3. Ohashi left Harbin by airplane for Mukden yesterday evidently to consult with the Japanese there and later at Kirin.

4. It is reported that Doihara left Tokyo for Harbin yesterday. His expected arrival here is looked upon with apprehension by the Chinese authorities."

JOHNSON

793.94/3619 : Telegram

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

PEIPING, January 23, 1932—4 p.m.
[Received January 23—4:20 a.m.]

116. Legation's 106, January 21, 7 p.m. Further information from Jehol indicates an agreement having been made between Tang Yu-lin and delegate from all of the Mongols outside the province for mutual protection and cooperation against bandits, communications with

Peipiao are restored and there are no indications of a Japanese advance. It appears that Tang is definitely opposed to irregular and bandit forces operating on the Fengtien-Jehol border and consequently he must have come to an understanding with the Japanese whose advance against Jehol will be thereby probably limited to the occupation of Peipiao.

JOHNSON

793.94/3624 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 24, 1932—4 p.m.
[Received January 24—10:55 a.m.[39]]

14. The following telegram has been sent to the Legation:

"January 24, 3 p.m. My January 23, 1 p.m.[40]

1. The Minister of Foreign Affairs informed the French Minister and me January 24 [*23?*], 10 p.m., that the Chinese Government had secret information from Japan that the Japanese Government intends to blockade Shanghai and possibly other Yangtze ports in case of the refusal of the Chinese to yield to the demand that all anti-Japanese agitation be suppressed. He said that Chinese leaders had discussed but had not decided whether to direct their first attention to meeting the communist menace in the interior or the Japanese menace at Shanghai. He also said that he was going to Shanghai last night and that he would decide after consulting friends whether he would return or not. Eugene Chen said bitterly that the published speech of Chiang Kai-shek opposing the severing of diplomatic relations and advocating continued reliance on the League, etc., was an open invitation to Japan to use military force and Chen insisted that the aim of Japan is to destroy all government in China. He said that the promised cooperation between Nanking and Canton factions is not taking place and that Nanking and the country are still under the military domination of Chiang Kai-shek, which fact renders continuance of Chen as Minister of Foreign Affairs impossible.

This morning I have been told by an unofficial source that Eugene Chen went to Shanghai last night armed with plenary powers to settle the Japanese incident there along lines decided upon by the Government, but I believe that this report has been released merely to quite [*quiet*] the public. From the same source I hear that if the Japanese take radical measures in Shanghai the Chinese Government will resist with force and that extraordinary measures are being taken in Nanking to forestall any attempts by the Japanese to create disturbances in the capital.

2. Wang Ching-wei and Chiang Kai-shek as members of the Stand-

[39] Telegram in two sections.
[40] Not printed.

ing Committee of the Central Political Council are the acknowledged heads of the Government in Nanking today with Sun Fo, Feng Yu-hsiang and other political and military leaders in secondary importance. On January 24, 10 a.m., Wang Ching-wei held a frank consultation with Wilden, the French Minister, and the latter has informed me of the substance. The following is very condensed summary:

3. In the face of the Japanese demands for the settlement of the recent Shanghai incidents the Chinese Government must either refuse to comply or else admit defeat and offer to negotiate. Resistance would inevitably be followed by armed conflict and the National Government would find it impossible to fight simultaneously with the Communists and the Japanese. Nevertheless Wang informed Wilden that the Chinese Government wishes to inquire what attitude the British, French and American Governments would take if the Japanese were to take military measures at Shanghai. For instance would these Governments insist upon the inviolability of the International Settlement and the French Concession? Wang said the intention of the Japanese would be to tie up the whole Yangtze Valley and strangle the Chinese Government by seizing the sources from which the Government derives its financial and material support. Turning to the alternative possibility Wang said the Chinese Government might agree to negotiate but this would inevitably mean admission of defeat and would bring up all outstanding questions between China and Japan. Wang referred to hopelessness of such negotiations from the standpoint of China and the impossibility, for instance, that China should accept the five fundamental principles including recognition of the validity of all treaties concerning Manchuria known and unknown. Wang inquired whether arrangement could not be made for neutral observers as at the Washington Conference. The French Minister told me that it was perfectly evident that China is asking the powers to make it possible for China to open negotiations with Japan and he told me that the inquiry was a very formal one directed through him to the Governments of Great Britain, France, and the United States. The replies of the French Minister to all of the questions asked were noncommittal.

4. Wang told the French Minister that the Nanking Government could count upon the loyalty of all factions in China including Chang Hsueh-liang and Canton but that the communist threat was an extremely serious one and that the National Government would begin a campaign of suppression at once. Armed resistance to Japan would undoubtedly result in immediate intensification of attacks by the Communists.

5. My personal impression is that unless friendly powers mediate at this juncture the continued existence of the Chinese Government will be seriously imperiled irrespective of the course it decides upon, and that if there ceases to be a government at Nanking general disintegration and confusion throughout the country will follow as rapidly as they did in Manchuria the events beginning September 18. In that case it would be difficult to extend any assistance to widespread American missionary interests in the interior.

6. To save time I am sending this telegram simultaneously to the Legation and the Department but I respectfully request that the De-

partment defer judgment until it has received the comments of the American Minister at Peiping."

PECK

793.94/3630 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 25, 1932—9 a.m.
[Received 9:30 a.m.]

27. Yen, Chinese representative, called on me yesterday afternoon. He discussed at some length the Manchurian situation from the Chinese viewpoint. As to the position he would take in the Council he said that he would recapitulate the happenings respecting Manchuria since the end of the Paris session of the Council and among other things he would discuss the American note of January 7. This confirms my views of what the Chinese would do and it is my belief that the Japanese representative will follow the same course. My understanding of present League policy is, however, that an endeavor will be made to prevent this discussion from assuming the aspect of recognizing the existence of new issues and that unless a material change occurs in the situation the position will be taken that the matter is in the hands of the Commission of Inquiry and that its report will be awaited.

Yen then disclosed his hope that the United States would be represented on the Council at the present session inasmuch as his Government felt that such American representation would be a favorable element in the settlement of the controversy. He showed me telegraphic exchanges between himself and the Chinese Chargé d'Affaires in Washington in which the latter reported that in response to inquiries on this point the Department of State had been noncommittal. At the conclusion of Yen's visit I was, however, left with a feeling of confidence that Yen would not bring forward the question of American representation in the Council. Although, of course, no absolute prediction can be made, inasmuch as China seems to be the power chiefly interested in this question, I am still more hopeful that matters will follow the line of the Consulate's number 25, January 22, 10 a.m.[41] That some discussion of this will appear under Geneva date lines in the American press is, in my opinion, inevitable.

GILBERT

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[41] Not printed.

793.94/3647 : Telegram

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

SHANGHAI, January 25, 1932—2 p.m.
[Received January 26—4:30 a.m.]

The following telegram has been sent to the Legation:

"January 25, 5 [*1?*] p.m. Referring to my telegram of January 23, noon.[42]

1. I learn that the demands presented Mayor by the Japanese Consul General in connection with assault on Japanese monks (my January 20, 5 p.m.[43]) were:

(1) That Mayor tender an official apology;
(2) That the assailants be arrested and punished;
(3) That compensation and hospital bills be paid;
(4) That all anti-Japanese activities be suppressed and all anti-Japanese organizations dissolve at once.

In my conversation with Mayor on Saturday[44] he stated that first three demands could probably be satisfactorily settled but that he could not suppress anti-Japanese activities and associations so long as they remain within the law but that he would suppress their illegal activities. I learn this morning from the Mayor's office that the demands are still under consideration. One of the Japanese monks assaulted has died. (These monks, five in number, were assaulted January 18th by Chinese workers in Chinese territory near the Settlement.)

2. Japanese squadron arrived January 23rd and landed approximately 500 marines in the Settlement with equipment.

3. The *Min Kuo* [*Yih*] *Pao*, a Chinese paper published in the Settlement, has been closely guarded by municipal police for 2 days as a result of demands for apology, et cetera, made on paper by Japanese Navy in connection with articles published.

4. Shanghai was very excited yesterday. An explosion occurred at 3:30 p.m. which broke many windows in various parts of the Settlement and French Concession 5 or 6 miles away. Two lighters carrying explosives from Pootung to Kiangnan Arsenal blew up apparently accidentally because of faulty handling.

5. I learn from authoritative source that W. H. Donald, formerly adviser to Chang Hsueh-liang, has been employed by Mayor in connection with Sino-Japanese negotiations particularly to assist in drafting reply to Japanese demands.

6. Although the Japanese naval authorities have shown every desire to keep in touch with Settlement authorities as per the agreement mentioned in my telegram January 23, noon, I believe they would not hesitate to disregard this agreement if it suited their purpose."

CUNNINGHAM

[42] See telegram of January 23, noon, to the Department, p. 53.
[43] See telegram of January 20, 5 p.m., to the Department, p. 39.
[44] January 23.

393.115 Radio Corporation of America/1½ : Telegram

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

SHANGHAI, January 25, 1932—3 p.m.
[Received January 25—6 a.m.]

I have been informed by local representative of Radio Corporation of America that he has received information from an American source, undivulged, which he considers reliable, that the Japanese intend to occupy the radio transmitting station at Chenju, 7 miles from Shanghai, at 8 o'clock tonight. He states that the Radio Corporation of America has a substantial financial interest in this station and he desires all steps to be taken which will prevent the station being closed. I have told him that in the event he secured confirmation of this intention I will inform the Japanese Consul General of the American interest in the plant and endeavor to ascertain the intentions of the Japanese there [*military?*].

Repeated to the Legation.

CUNNINGHAM

793.94/8628 : Telegram

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

PEIPING, January 25, 1932.
[Received January 25—6:25 a.m.]

121. Legation's 113, January 23, 1 p.m. Following from American Consul General at Harbin:

"January 21, 3 p.m.

1. Advance guard of General Ma's troops entered Tsitsihar yesterday and General Ma is expected to enter that city tomorrow.

2. Unconfirmed press reports state that General Chang Hai-peng on January 21st at Mukden assumed charge of the guard troops of the Ssu-an Tao-ang Railway, the section of the latter on the side north of Tahsing Station to be guarded by Ma.

3. New Kirin official appointees yesterday took over charge of the Harbin Electric Company and river and Fuchiatien police administrations.

4. General Ting Chao, commanding the 16th Brigade, and other commanders including those of the 22nd and 26th brigade[s] and the Commissioner at Sansing, have pledged their allegiance to Hsi Chia.

5. It can be concluded that Heilungkiang and Kirin Provinces are now under the control of the Japanese Army, acting through Chinese officials selected or tolerated by it."

JOHNSON

393.11/1393 : Telegram

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

PEIPING, January 25, 1932—5 p.m.
[Received January 25—6 a.m.]

122. Nanking's January 24, 3 p.m.[45] Following from Nanking:

"January 24, 5 p.m. My January 24, 3 p.m. There is no present indication of disturbances in Nanking but in view of the possibility that the necessity for evacuation of American citizens may arise, as the result of Japanese activities in Shanghai, I respectfully suggest that the Legation request the commander in chief to detail another naval vessel to Nanking for possible evacuation purposes only. For evacuation purpose it is necessary also to have naval vessels at Wuhu and Chinkiang. I have told the commanding officer of the station ship here that I am making this suggestion and have explained the reasons. I have pointed out that he is free to act as his judgment dictates."

Legation is requesting commander in chief to comply with Peck's request.

JOHNSON

793.94/3634 : Telegram

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

SHANGHAI, January 25, 1932—5 p.m.
[Received 8:45 p.m.]

Foreign members of Shanghai Municipal Council including Japanese held a meeting this morning to determine whether a state of emergency exists and the decision was in the negative for the time being. I learn from thoroughly reliable source that Japanese Consul General has promised that reply from Mayor to Japanese demands given in my January 25, 2 p.m., will be given to Council 24 hours in advance of any Japanese action. Reply is expected this afternoon.

Repeated to the Legation.

CUNNINGHAM

793.94/3627 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 25, 1932—6 p.m.
[Received January 25—8:50 a.m.]

15. My 14, January 24, 4 p.m. The following telegram has been sent to the Legation:

[45] See telegram No. 14, January 24, 4 p.m., to the Department from the Consul General at Nanking, p. 55.

"January 25, 5 p.m. My January 24, 3 p.m.[46] The tension over the Shanghai incidents of recent date has been lessened because the Chinese Government has decided to meet the Japanese demands as far as circumstances permit and negotiations are being conducted by the Chinese local authorities in a conciliatory spirit. In addition to its natural disinclination summarily to close the patriotic anti-Japanese organizations the Government feels that it has lost so much prestige in its controversy with Japan that summary action of this sort, which is among the demands, would provoke dangerous popular opposition. Sun Fo, in sympathy with Eugene Chen in the matter of severing of relations, left Nanking January 23, 8 a.m., and it seems uncertain whether he can return to his post. Chen has telegraphed his resignation.

Repeated to Department."]

PECK

793.94/3651

Memorandum by the Secretary of State of a Conversation With the British Ambassador (Lindsay) at Woodley at 2:15 p.m.

[WASHINGTON,] January 25, 1932.

I told the Ambassador that the situation which had arisen at Shanghai was giving me serious concern for potentialities that might come out of it. The main objective of the Japanese was evidently to kill the boycott of the Chinese. In their note in the early part of October[47] they had protested against the boycott as an act of war. That had fallen flat. Now they were trying to attack it by action based upon the alleged violence to their nationals and their property which was involved in the boycott. I pointed out that instructions to the Japanese Admiral, however, had been to destroy the boycott. I thought that this presented a situation which was of both immediate and long-distance concern. The immediate concern was that it was likely to lead to further and further violence in the Yangtze Valley and thus to an ultimate state of war, out of which there would be very likely to grow a Japanese blockade of all Chinese ports, including the Yangtze, which would directly and most seriously affect British and American trade with China. I reminded the Ambassador of the issue of policy which had existed in China; Chiang Kai-Shek, the former President, had throughout been in favor of avoiding war with Japan and trust-

[46] See telegram No. 14, January 24, 4 p.m., to the Department, p. 55.
[47] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 15.

ing to the public opinion of the world and the influence of the other powers to protect China. On the other hand, the resentment which had been caused by the failure of the powers to protect China had tended to throw power into the hands of those who were in favor of declaring war and taking more violent measures and had ultimately, for awhile at least, thrown Chiang Kai-Shek out of power. I pointed out that if the opposition policy of declaring war should be successful there would undoubtedly be a blockade at once by Japan with the attendant loss to us. Therefore, it was important to cut down the possibilities of violence and, so far as was proper, prevent any unlawful action by Japan against the boycott.

In the long-distance view I pointed out that it was probably much for the benefit of the world that China should not be deprived of her only weapon against an enemy—the boycott—and, if she were deprived of it, it would tend to destroy the balance of power. I pointed out that if China's only present weapon were taken away from her she would probably have to do one of two things: either first, arm herself and become a military nation or she would be thrown into total subservience to a more military nation like Japan. Either of these results would be extremely injurious to the peace of the world and to the freedom of commerce which Britain and we had been striving for in the Far East. They would tend directly to destroy thus the work which we had been trying to do in the last thirty years in protecting the integrity of China and the Open Door.

Turning to the measures to be taken, the first thing I was thinking of doing, and which I shall probably do myself anyhow, was to call Japan's attention to the particular situation which existed in the international settlement and to show her that we intended to back up the efforts of the local authorities there who were seeking to keep Japan's landing forces out of that settlement. I pointed out that the international Doctrine which permits a nation whose nationals are imperiled to land in a defendant country was dependent upon the failure of the other nation where they were settled to afford proper police protection, et cetera. This was the excuse which Japan had made in Manchuria. In the international settlement at Shanghai, however, there was a perfectly efficient police force under white officers and largely consisting of white enlisted men.[48] It was nonsense to say that this force could not protect Japanese life and property in the international settlement and its presence removed the last excuse for her intervention by landing forces.

As to further steps I said I was thinking aloud and desired to get the reaction of Great Britain. I felt I could do this because our inter-

[48] The enlisted men were usually Chinese or British Sikhs.

ests were, so far as I could see, precisely parallel and similar. I said I should hesitate to act unless Great Britain approved and was planning similar action. I told Sir Ronald that our Consuls up the River were calling for additional war vessels because they anticipated the possibility that we should have to rescue and remove our nationals if this Japanese pressure went on.

The Ambassador asked me whether I anticipated that the effect of further Japanese action up the River would be to provoke general anti-foreign action by the Chinese. I said I thought it would; that the last time we had been obliged to lay down a barrage at Nanking[49] the attacks on the foreigners had come not from any hostility to us but from the civil war of China itself and it would be even more likely to produce general danger to foreigners if the Chinese were fighting a foreign foe like Japan.

I told him that I did not intend any threat against Japan; our Asiatic squadron was not large enough to constitute a threat but I thought it might have a beneficial effect to send that squadron, in whole or in part, from Manila to Shanghai provided the British would do the same with some of their vessels. I told him we had only one cruiser and a couple of squadrons of destroyers and of submarines so they could be no menace to Japan, but I thought that their presence in Shanghai would tend, on the one hand, to convince Japan that we were seriously interested in the threat to our trade and our people arising out of the possibility of Japanese action, and also it would have a very wholesome influence on the Chinese themselves in proving that Chiang Kai-Shek was right and that the powers were interested in China and what happened to her. At present the Chinese are feeling very deserted and helpless. I thought that the presence of foreign ships would tend to strengthen the hands of Chiang Kai-Shek as against his foolish opponents who were trying to declare war because the foreign nations had deserted them. I summed up by telling him that I thought our main objective should be to try to prevent a sequence of steps by the Japanese which would tend to lead to war with China and a resultant blockade injurious to our neutral trade; that Japan had got hold of a bear by the tail and couldn't let go and was being led along from step to step; that the only way to prevent her from taking these steps was to show as stoutly as we could that we were interested in it and it was leading her into a situation which we regarded as very serious to our interests.

H[ENRY] L. S[TIMSON]

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[49] On March 24, 1927; see *Foreign Relations*, 1927, vol. II, pp. 146 ff.

793.94/3606 : Telegram

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

WASHINGTON, January 25, 1932—6 p.m.

Your January 22, 6 p.m.

1. The Department approves the interpretation placed by you upon the functions and responsibilities of (*a*) the Shanghai Municipal Council, (*b*) the Consular Body and (*c*) the various powers concerned in relation to the administration of the International Settlement, in connection with the problems presented by the current situation at Shanghai. The Department also approves the action taken by you and commends you for your prompt and able handling of the situation. Such interpretation and action conform with the Department's existing instructions (see Department's telegram to Legation No. 47, February 5, 1930, 6 p.m.,[50] circularized as enclosure to Legation's circular No. 7, February 14, 1930, section 3, in reference to the International Settlement), which were based upon the international character of the International Settlement and were directed toward preserving the administrative integrity of that area.

2. Department regards insistence upon rights and responsibilities of the Consular Body and the Municipal Council in the field of administration as fully warranted and constantly desirable.

3. Department will send special instruction to Legation shortly in relation to the above.

4. Repeat this telegram to Peiping as Dept's 25 and to Nanking as No. 8.

STIMSON

793.94/3637 : Telegram

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

SHANGHAI, January 25, 1932—6 p.m.
[Received 8:30 p.m.]

This Consulate General has been informed by Eugene Chen that both he and Sun Fo have resigned and that Chiang Kai-shek and Wang Ching-wei are in control at Nanking. He resigned because he claims that Chiang Kai-shek insists on following a passive policy. Had he remained in office Mr. Chen intended to implement article 16 of the League Covenant.

Repeated to the Legation.

CUNNINGHAM

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[50] *Foreign Relations*, 1930, vol. II, p. 85.

793.94/3630 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 25, 1932—7 p.m.

24. For your confidential information and guidance. Your 27, January 25, 9 a.m., second paragraph.

When the Chinese Chargé stated that the Chinese Minister wished to know whether American Government would be represented at the next meeting of the Council, the Chief of the Division of Far Eastern Affairs replied that the question had not been discussed and that he "had no doubt but that we would maintain a contact but saw no reason to expect that we would have anyone sitting in or directly associated with the meetings of the Council".

It is to be hoped that the Chinese Minister will not put forward the question of American representation on the Council.[51]

STIMSON

793.94/3644 : Telegram

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

PEIPING, January 25, 1932—9 p.m.
[Received January 26—2:35 a.m.]

124. Nanking's January 24, 3 p.m.[52]

1. I am replying to Peck as follows:

"Your telegram January 24, 3 p.m. With reference to paragraph 3, you state that the French Minister said that it was evident to him that China, through Wang, was asking the powers to make it possible for China to open negotiations with Japan and that this inquiry was a formal one directed through him to the several Governments mentioned. With the Foreign Minister apparently in Shanghai, and in the face of uncertainty whether he is there to negotiate or whether he has resigned his office, I am at a loss to understand the exact purport of Wang's conversation with the French Minister unless it is intended to be a communication to the League Council scheduled to meet January 25th. Are you sure that this is not the case?

With reference to paragraph 5, I suggest that you listen to and report any information of this kind that may come to you but make no commitments one way or the other. British Minister, however, heard nothing in regard to Wang's conversation with the French Minister. He is instructing Ingram to see you."

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[51] In telegram No. 33, January 26, 9 a.m., the Consul at Geneva reported: "Yesterday afternoon Yen gave me oral assurances that he would not raise the question of American representation on the Council." (793.94/3638)

[52] See telegram No. 14, January 24, 4 p.m., to the Department from the Consul General at Nanking, p. 55.

2. Situation described in Nanking's paragraph 1 indicates that responsible authorities at Nanking are floundering, due to noncooperation of several factions and inability to determine upon a policy. In any case I do not see why Shanghai incident should necessarily involve entire range of questions between China and Japan as assumed by Wang. Somewhat similar incidents have occurred at other places and have been settled locally by negotiation.

3. From Peck's conversations I have received the impression that the Chinese would like to merge the settlement of local issues at Shanghai, involving primarily the question of their responsibility for the protection of Japanese life and property, with the more general controversy regarding Manchuria in the expectation that it may now prove possible in some way to involve the foreign powers in the area of the Settlements where there exists such a well-defined tradition of immunity from outside interference and where such extensive foreign commercial interests are at stake. I have therefore some concern lest the Chinese precipitately adopt a policy predicated upon bringing about in the Shanghai area some form of concrete intervention which they could not expect to effect elsewhere. I furthermore cannot wholly escape the impression that the Chinese are somewhat over-emphasizing the immediate dangers of the domestic situation in the belief that this will prove an effective method of persuading the powers principally interested to some act of mediation which will relieve the Chinese Government of the onus of meeting alone at this time the questions along the China Coast of which the Japanese appear determined to demand settlement.

JOHNSON

793.94/3635a : Telegram

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

WASHINGTON, January 25, 1932—midnight.

26. Department's January 25, 6 p.m. to Shanghai.

1. It is my understanding that the Japanese Admiral at Shanghai recently issued a statement implying an intention on his part to take special steps to protect rights and interests of Japan; that on January 22 the Chairman of the Shanghai Municipal Council, a British subject, called on the Senior Consul, American, at Shanghai, and informed the Consul that he, the Chairman, intended to call on the Japanese Admiral and request that the Admiral arrange to preserve order at a Japanese mass meeting scheduled to be held the next day presumably within the International Settlement; that the Senior Consul stated emphatically that the Municipal Council should take

the matter up with the Japanese Consul General rather than with the Japanese Admiral and that, in case conditions became such as to render it impossible for the Municipal Council with its police and the volunteer armed forces at its disposal to control the situation, the Council should apply to the Senior Consul toward obtaining assistance of all the powers; that the Chairman thereupon approached the Japanese Consul General; that later the Chairman and the Secretary General of the Council, American, together with the Japanese Consul General, called on the Japanese Admiral; and that the Admiral promised that he would take no action in the Settlement without first consulting the Settlement authorities.

The American Government approves the position taken and the views expressed by the Senior Consul. It believes that authority and responsibility for administering the International Settlement lies in first instance with the Municipal Council. It believes that this responsibility of the Municipal Council is particularly important at this time when it seems to be suggested by one of the powers that it may become necessary for that power to land its forces to protect its nationals within the International Settlement. No power has a right, under international practice, to land its forces for the protection of its nationals unless the local authorities concerned have entirely failed in or are obviously not prepared to discharge their duty of police protection. The International Settlement has a thoroughly organized and disciplined police force under a responsible control and composed of a well-drilled personnel. Under these circumstances I feel that it is of the highest importance that the Municipal Council should not allow the performance of this highly responsible duty of police protection to pass out of its hands unless it is absolutely clear that no other method will suffice to protect the Settlement. If and when such an extreme eventuality should occur and the Municipal Council reach the conclusion that no other method of protecting the International Settlement is possible it should so notify the Consular Body through the Senior Consul, and the Consular Body should then make such call as may be deemed necessary upon all of the foreign armed forces available and not upon any single one.

2. I desire that you discuss this subject informally and confidentially with your British colleague and ascertain (*a*) whether he concurs in these views and (*b*) whether, in the event of these principles being disregarded, his Government would be willing to participate in sending to the power or powers disregarding these principles simultaneous protests.

3. Prior to my receipt of the full details upon which this cable is based, I had already discussed personally with the British Ambassador

here the threatened landing of Japanese troops in the International Settlement and had informed him, for transmission to London, of my views as to the importance of preventing such a landing, if possible, and of insuring that the control of law and order in the International Settlement should be retained in the hands of the Municipal Council and its police force.

4. An early reply is requested.

STIMSON

793.94/3655 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 26, 1932—4 p.m.
[Received 11:51 p.m.]

35. 1. I learn the following from a thoroughly reliable source.

(*a*) The Chinese are considering, in view of the situation as it is developing, a change in their tactics in Geneva. They feel that their acquiescence up to this point in confining their action to an invocation of article 11 of the Covenant has not brought about the results which they desire and that they should proceed to more definite invocation of other rights which they enjoy both under the Covenant and under treaty provisions.

(*b*) Yen is now contemplating the possibility of,

(1) raising the question in the Council as to whether articles 13 and 16 of the Covenant should not be considered;
(2) declaring that a violation of article 12 of the Covenant has occurred; and
(3) definitely invoking articles 10 and 13 [*15?*].

(*c*) As an alternative to the foregoing or possibly in addition thereto China is also considering what steps she might best pursue to implement the Nine-Power Treaty. A choice of procedures in this respect is being studied. Although she could invoke the treaty herself she feels that to be the least hopeful of possible courses and only to be resorted to if other means fail. She hesitates to disturb her position vis-à-vis the League and thus to alienate League support and to lose any advantages which accrue to her under the provisions of the League Covenant and possible League action. The Chinese Delegation is considering the possibility of bringing about an invocation of the Nine-Power Treaty through action of the signatories of the treaty who are at present represented in Geneva. As a corollary of this they are also considering bringing forward a discussion of the Nine-Power Treaty in the Council as a prelude to its invocation here on the part of individual signatories. This latter plan involves some such course as

was followed here in Geneva in the invocation of the Pact of Paris. The idea underlying these considerations is to knit action under the Nine-Power Treaty, morally at least, with League action. In connection with the possibility of China succeeding in having this course followed the question of double competence at once arises. China is hoping however that some formula may be worked out by which the League would remain seized of the Manchurian question while action at the same time could go forward under the Nine-Power Treaty and that action under the two "competences" could be coordinated without prejudice to either.

2. Yen is apparently awaiting instructions from Nanking which will guide his action regarding the foregoing.

3. The implications of this are obvious and great apprehension is felt here respecting possible results should China follow these courses.

4. The question of the position of the United States in respect to a possible invocation of the Nine-Power Treaty naturally at once arises in any such consideration. This question arises in two forms:

(1) Whether the United States desires the invocation of the treaty under any circumstances and if so what procedure the United States would favor.

(2) Should the United States be faced by a definite decision on the part of China to bring about an invocation of the treaty would the American Government care to make suggestions respecting procedure.

The general attitude of China in these respects appears to be that within the limits of reserving freedom of action for what she regards as her essential interests she is anxious to conform as far as possible to American policy.

5. Should developments take place in Geneva along the lines of any of the points raised above I would appreciate instructions as to any position which it may be desired that I take particularly in confidential conversations with a view if it be so desired to shape events if possible in conformity with American policy.

6. I feel that I must add that the situation here is subject to very rapid changes. It is also difficult in reporting on developments to determine whether the position taken or the statements made by the various governments, particularly those respecting their intentions, really reflect such intentions or are merely to be regarded as temporary elements in their strategy in the confidential negotiations which are constantly taking place.

GILBERT

793.94/3750

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

[WASHINGTON,] January 26, 1932.

Mr. Kato of the Japanese Embassy just phoned again (4 p. m.) and stated that the Embassy had a second telegram from the Japanese Foreign Office stating that at 2 p. m. today the Shanghai Municipal Council closed the office in the International Settlement of the *Min Kuo Yih Pao;* and that the Municipal Council had decided not to close for the time being the office in the International Settlement of the Anti-Japanese Association but that, whenever the Japanese Naval authorities desired that this office be closed, the Municipal Council would cooperate with the Japanese Navy in closing the office.

Mr. Hamilton was unable to ascertain from Mr. Kato whether the message meant that when the office of the Anti-Japanese Association was closed it would be closed by the Municipal Council or by the Japanese Navy or by both acting in cooperation.

Mr. Kato stated also that a further telegram received by the Embassy from Shanghai indicated that conditions there were improving.

M[AXWELL] M. H[AMILTON]

793.94/3654 : Telegram

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

SHANGHAI, January 27, 1932—11 a.m.
[Received January 27—6:28 a.m.]

Reference to this Consulate General's telegram of January 25, 1 p. m.,[53] and previous. Japanese Consul General, Murai, requested an interview with me. During the interview he stated that having received no reply to his demands he called on the Mayor of Greater Shanghai on the 25th. The Mayor requested further delay until the 13th [*28th*] before giving a definite answer. Murai stated that the Mayor was earnestly trying to reach a solution and that the difficulty arose from the fourth demand relative to suppression of anti-Japanese organizations which the Japanese regard as illegal in that their constitutions and by-laws favor seizure and confiscation of Japanese goods. Murai was of the opinion that the associations could be readily suppressed and that considerable headway had already been made in that

[53] See telegram of January 25, 2 p.m., from the Consul General at Shanghai, p. 58.

direction by the Chinese authorities. I believe that he is counting on the Mayor being able to present the basis of an acceptable compromise leading to an amicable solution of the situation. Murai further stated that any action on the part of the Japanese military would be in the line of suppression of anti-Japanese associations and the recovery of confiscated goods. He pointed out that inasmuch as the Chinese were erecting barricades in and moving troops to strategic positions every day's delay increased the effectiveness of the Chinese military. He promised to inform me and the Municipal Council of the Chinese reply and to give us advance notice of any military action to be taken. He further stated that no action will be taken until 40 hours after the delivery of an ultimatum.

Repeated to the Legation.

CUNNINGHAM

793.94/3667 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 27, 1932—11 a.m.
[Received 3 p.m.[54]]

40. Drummond informs me as follows:

Boncour, assisted by the British, German and Italian representatives as well as by the Secretary General (a reconstitution of the so-called Committee of Five) received separately and privately late yesterday afternoon both the Chinese and the Japanese representatives as agreed at the private session of the Council reported in the Consulate's 38, January 26, 9 p. m.[55] His purpose was two-fold:

(1st) to express in the clearest and most unequivocal fashion the alarm felt by the Council regarding Shanghai, and

(2d) to take advantage of the interview to feel out the two representatives as to other aspects of the dispute.

1. *Shanghai situation.* Boncour explained to Sato the grave disquietude the Council felt at the possibility of Japan's landing troops at Shanghai. He pointed out that Shanghai was another matter than Manchuria, that there were vast international interests there, and that consequently there were great dangers of international complications. Sato was not in a position to give any positive information or assurances on the matter but promised to cable his Government of the Council's concern. He explained however that he could accept no intimation of criticism on the part of the Council which he felt would be

[54] Telegram in two sections.

[55] Not printed; it reported a private session of the Council members exclusive of the Chinese and Japanese representatives.

wholly unjustified. He also declared that his Government was becoming accustomed to protests. This led Drummond to state with some heat that Japan must surely take into account the expressions of general world opinion.

Boncour expressed to Yen the desirability of a supreme effort by China to preserve peace and order in Shanghai and to avoid any incident which might be interpreted as a justification of Japan's claim that the Chinese Government was unable to protect foreigners on its territory. Yen pointed out that such disorders as had occurred were utterly insignificant in comparison with the vast scale of Japanese actions and were only a natural and almost inevitable outburst of public indignation which so far under the unprecedented circumstances had been remarkably restrained. He agreed, however, to transmit the Council's views to his Government.

2. *Position under the treaties.* As regards the general situation Boncour expressed to Sato that the Council would greatly appreciate a formal declaration by Japan as to the territorial and political independence of China, the preservation of the "open door," and the respect for existing treaties. Sato explained that he had already the day before made a statement on exactly these lines and that it would seem superfluous and be somewhat embarrassing to make another. He agreed, however, to inform his Government of the Council's wish and to ask their instructions.

Yen in his turn said that he had been instructed to invoke articles 15 and 16 but had so far refrained from doing so in the hope of receiving satisfaction within the present procedure. Drummond had understood from a previous conversation that such satisfaction would have been had from a Council endorsement of the American note but Yen felt that this would not be sufficient. When pressed for details he said that what his people really wanted was to see the Japanese withdrawal begin and to secure some definite hope of the return of Manchuria. There was a feeling among some of those present, however, that Yen felt himself for the moment on somewhat uncertain ground because of the resignation of Chen under whose instructions he had been acting, and the likelihood of a less extreme policy on the part of his successor.

3. *Possible program of action.* A private meeting is planned for this afternoon for a report on these negotiations and a consideration of further action. It is expected that as the resolutions of September 30 and December 10 are still operative no further formal resolution will be attempted at this session but that instead a general declaration will be made by the President on behalf of the other Council members. This statement as at present outlined would emphasize the profound distress felt by the Council at the continued embitterment of the situa-

tion which is wholly unjustifiable not only to Japan and China but to the whole world in this moment of economic crisis; would point out that good relations between nations can be based only on cooperation and mutual respect and never on force either military or economic; would underline [*recall?*] that the process of conciliation has already begun with the appointment of the Commission to which the Council attaches very great importance; and would again urge both parties in their own interests and in the general world interest to desist from further aggravating the situation and to return to normal peaceful relations. Whether any action will be taken to expedite the visit of the Commission or either directly or indirectly to endorse the American note is still undecided.

GILBERT

793.94/3662 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 27, 1932—noon.
[Received 12:05 p.m.]

41. Consulate's No. 40, January 27, 11 a.m. In connection with the general discussions there are strong private expressions on the part of leading delegates which may be summarized to the following effect:

1. The seriousness of prompt action and the perhaps greater seriousness of its implications cannot be too greatly emphasized.

2. Regret is expressed at the circumstance that cooperation between the United States and the League respecting an objective approach to the situation in Manchuria had been circumscribed by perhaps unavoidable considerations regarding the more general relationship between America and the League which has permitted in a manner Japan's playing off the League against the United States and vice versa.

3. They express the hope that at this juncture some means may be found to bring about the greater advantage to be derived from common action on essential points between the United States and the League.

GILBERT

793.94/3666 : Telegram

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

SHANGHAI, January 27, 1932—2 p.m.
[Received 10:30 p.m.]

Continuing my January 25, 5 p. m., and previous telegrams, Secretary General of Shanghai Municipal Council states in reply to

my inquiry as to whether it were necessary to increase naval forces here at once that "Were I in your place I would bring to Shanghai everything the Government will give you."

Being somewhat in doubt I consulted Colonel Hooker, Commander of the United States Marine Corps who, after contact with his corresponding colleagues of other nationalities yesterday, stated that he considers present forces adequate to meet existing conditions within the Settlement even if state of emergency is declared. I hesitate to agree with the Secretary General at this moment though it is certain that there are potentialities in local conditions which might develop very quickly and which would unquestionably tax the capacity of the United States Navy to give protection to lives and property and contribute America's share in preserving the integrity of the International Settlement as a place of refuge and business by several [*numerous?*] American nationals.

However in view of the existing most serious conditions I desire to submit the following remarks for the consideration of the Commander in Chief, Legation and Department:

1. Pruynges was murdered on January 24th in daylight at the hands of the military in the literal shadow of military headquarters at Lunghwa while he was on an open road and probably after receiving permission of the soldier or his associates to pass.

2. There are some 17,000 soldiers in Chinese territory within a radius of 7 miles, to include Woosung this number would be larger, who are unpaid, undisciplined and inadequately commissioned but with loaded guns murderously characteristic of youths [who] are anxious to hear them boom.

3. This army is largely composed of very young boys. They have penetrated most secluded spots on and off highways and are constantly challenging travelers in a way which endangers the very lives of those who venture outside of the Settlement. There are numerous instances of incidents being narrowly averted which it is unnecessary to itemize. Many American citizens within 10 miles of Shanghai have had narrow escapes including members of my own staff who had not ventured far afield.

4. With considerable rapidity barbed wire and other entanglements are being constructed by the Chinese outside the border of the Settlement on municipal roads. These but inspire self-confidence of Chinese which would be dangerous should it become necessary to rescue American citizens from these districts and the necessity for rescue is by no means unlikely.

5. There are millions of soldiers scattered throughout China many

of whom are without pay and who characteristically have no recognized head. These may become at any time armed bandits who will menace any district they happen to reach.

6. There is no government at the capital of the country which is recognized as having authority to take command of either civil or military situation.

7. There are 60,000 Chinese employed in Japanese cotton mills in and contiguous to the Settlement, 20 percent of whom are on strike. There are at least a quarter of a million persons employed in other industrial concerns. It is certain that communist activities are very great and in the event of a clash it will be an order for Communists to get in different kinds [of] work and possibly disturb industrial conditions materially, thus throwing a large class out of employment which would be a potential cause of breach of law and order.

8. For consideration of Minister, Commander in Chief and Department: Should a state of emergency be declared the senior officer would have peculiar relations and influence if not authority in his contacts with forces on land. Some recognized liaison head prevents confusion, duplication action. At the present moment the senior military officer is Japanese. The question would appear to have more than local importance and my reason for mentioning it is that it is prominently displayed in this morning's *North China Daily News.*

9. Martial law was declared in Chinese territory at 6 p.m. on the 21st and continued until 6 p.m. the 23rd and has been declared from 6 p.m. to 8 a.m. each night since that date.

Repeated to Legation.

CUNNINGHAM

793.94/3658 : Telegram

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

PEIPING, January 27, 1932—3 p.m.
[Received January 27—9:05 a.m.]

131. 1. Department's January 25, 6 p.m. to Shanghai. With reference to paragraph 2, Legation believes consideration should be given to the fact that it would be extremely embarrassing for us if the Japanese should push action in Shanghai to point where insistence upon rights and responsibilities of Consular Body and Municipal Council at Shanghai in the field of administration might involve American volunteers firing on Chinese for protection of Japanese or in furtherance of Japanese policy or firing on Japanese in furtherance of Chinese interests. In view of the fact that we have made it clear on nu-

merous occasions that we do not propose to use force to maintain administrative integrity of the International Settlement of Shanghai and in view of the progress made in the negotiations between British and Chinese and in prospect between ourselves and Chinese for possible rendition of International Settlement, it seems to me that we must act carefully in the present situation lest we find ourselves fighting in Shanghai for the preservation of the integrity of the International Settlement in a quarrel that is distinctly one between Japan and China and which should not involve us. I feel that the powers should call upon Japan to control her citizens within the International Settlement and thus fulfill her obligations there.

. . . . . .

JOHNSON

793.94/3668 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 27, 1932—3 p.m.
[Received 4:50 p.m.]

43. Consulate's No. 35, January 26, 4 p.m. The following developments have taken place respecting the Chinese position:

1. I have been reliably informed that Yen has received instructions to "get ready" to invoke articles 15 and 16 of the Covenant.

2. From various indications I am inclined to believe that the statement of "intentions" on the part of the Chinese is not a trial balloon but represents their genuine position.

3. Yen's position respecting an invocation of articles 15 and 16 is, however, that he will not follow this course if he can obtain what he regards as equivalent satisfaction in other directions. He is willing to withhold invocation under the following conditions:

(*a*) That the Japanese immediately cease all hostilities; i.e., not merely promise to do so.

(*b*) That the Japanese make a concrete gesture of withdrawal; for example, give up the occupation of Chin-chow or retire their warships from Shanghai.

(*c*) That the Council materially hasten the arrival in Manchuria of the Commission of Inquiry.

(*d*) That the Council (or perhaps the leading Council powers) back up either directly or by a substantially similar *démarche* the American note of January 7.

4. Drummond is pessimistic respecting the possibility of persuading either Japan or the Council to take pertinent action.

5. China is considering as a possible alternative to the conditions

listed in paragraph 3 above the entering into effect of the Nine-Power Treaty along the lines discussed in paragraph 1 (*c*) of the Consulate's telegram under reference.

GILBERT

793.94/3664 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 27, 1932—noon [*4 p.m.?*]
[Received 2:10 p.m.]

44. Department's unnumbered telegram December 11, 2 p.m.[57]

1. In view of undue strain put upon Drummond to inform me personally of developments in private meetings of the Council, Consulate's 38, January 26, 9 p.m.,[57] he has arranged for Sweetser to do this in a manner similar to Sweetser's services in Paris to General Dawes in this respect.

2. In conformity with instructions in your 20, January 21, 4 p. m., I am, however, keeping in personal contact with pertinent officials.

GILBERT

893.00/11747 : Telegram

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

PEIPING, January 27, 1932—5 p.m.
[Received January 27—8:45 a.m.]

132. Following from Reuter, Nanking:

January 26. "General Chen Ming-shu has been appointed Foreign Minister in succession to Mr. Eugene Chen, who resigned owing to the Government not agreeing to his proposal to break off relations with Japan."

JOHNSON

793.94/3653 : Telegram

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

TOKYO, January 27, 1932—5 p.m.
[Received January 27—8:30 a.m.]

25. Embassy's 21, January 22, 6 p.m. Japanese Navy has sent one destroyer squadron consisting of cruiser and 12 destroyers to Shang-

[57] Not printed.

hai from Sasebo in addition to those reported. It will carry a landing force of 400 to 500 men and should arrive 28th.

The Government here seems to have no definite plan of action beyond meeting the situation as it develops. They hope to keep it on the basis of a local affair. They regard the situation with some apprehension as they feel that the anti-Japanese agitation has at least the tacit approval of the local authorities in the Shanghai region.

Repeated to Peiping.

FORBES

793.94/3657 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 27, 1932—5 p.m.
[Received January 27—10 a.m.]

16. With reference to my telegram No. 14, January 24, 4 p.m., the following telegram has been sent to the Legation:

January 27, 4 p.m. My January 24, 3 p.m., paragraph 3.

1. I called on Wang Ching-wei, January 27, 9 a.m. He told me that a successor to Sun Fo as President of the Executive Yuan would be elected in a day or two and that it was hoped that Sun Fo would then rejoin the Government in another capacity.

2. Wang said that Japan had violated the Nine-Power Treaty, the Covenant of the League, and the Treaty for the Renunciation of War, as well as the sovereignty and territorial integrity China, and the treaty rights and the interests of foreign nations in China. He said that China had sought to obtain assistance from each of the international covenants listed above but without practical result. He said Eugene Chen in advocating severing of relations with Japan had intended to bring about situation which would compel foreign nations to intervene but he, Wang, thought that severing of relations was entirely inadequate in face of Japan's actions as described. Wang strongly urged that foreign powers already have ample ground for intervening on behalf of their own interests. He especially urged such intervention in the crisis which has developed at Shanghai. In discussing the recent inquiry made of the Department of State by Eugene Chen in regard to advisability of convoking conference of the Nine Powers, Wang said that since Department believes it would not be opportune to summon a conference, he was anxious to know what suggestion the American Government could make in regard to a solution of the controversy. I replied I had no instructions nor authority to say anything on this point but I believed that if a friendly settlement could be reached through negotiations the American Government would be gratified. Wang said Japan by military activities and by insistence on so-called five principles had made it impossible for China to enter into direct negotiations but China would be willing negotiate

if foreign powers would assist in the negotiations or have observers present thereat. He indicated the greatest anxiety to learn whether any such plan could be brought about and he argued earnestly for mediation by the powers on grounds of morality and to protect their just rights. I was careful, of course, to avoid any commitment even by remote implication.

3. I also had a conversation with Chiang Kai-shek. When I asked his opinion on outstanding issues he was extremely reticent and said his recently published statement gives his attitude. He insistently endeavored to ascertain what course the American Government thought China should pursue toward Japan. I replied that, of course, I could not answer that question but would report it to the Department for any reply it might care to give. He seemed to think this would produce no results and asked what my personal opinion was. I returned an evasive reply.

PECK

793.94/4042 : Telegram

The Consul General at Harbin (Hanson) to the Secretary of State

HARBIN VIA DAIREN, January 27, 1932—5 p.m.
[Received February 8—1:53 a.m.]

1. Ohashi confidentially informed my British and French colleagues and myself that this morning, acting on his own responsibility and not in conjunction with the local Japanese military mission, he had requested his Government to send troops from Changchun to Harbin.

2. I believe that present situation does not justify such action and fear if Japanese troops start for Harbin, local Chinese troops in retiring might attempt to loot foreign property.

Department has been informed.

HANSON

793.94/3652 : Telegram

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

SHANGHAI, January 27, 1932—6 p.m.
[Received January 27—7 a.m.]

A Japanese member of the Municipal Council who usually acts as liaison officer between the Japanese Naval Attaché and the Council has requested that a state of emergency declaration should be issued today.

The Secretary General promised to call a meeting of the Municipal Council for the consideration of the request today.

Repeated to the Legation.

CUNNINGHAM

793.94/3659 : Telegram

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

PEIPING, January 27, 1932—8 p.m.
[Received January 27—10:05 a.m.]

135. Your telegram No. 26, January 25.

1. My British colleague left Peiping this morning for England via Siberia. Chargé d'Affaires Ingram is in Nanking in connection with meeting of Council of the League of Nations. There is, therefore, no one here with whom I can discuss this question.

2. I telegraphed my own views in my telegram 131, January 27.

3. I believe powers interested should call upon Japan to control her own people in the International Settlement (which is what I understand Chairman of the Municipal Council was asking Japanese to do) and leave Municipal Council and its forces to deal with Chinese policy.

4. Insofar as Japanese were threatening to take independent action against Chinese within the Settlement (if they did so threaten) we should make protest at Tokyo against such threats and such actions.

5. But I think we should move warily lest we find ourselves involved on the one side or the other in a quarrel not our own.

JOHNSON

793.94/3663 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 27, 1932—11 p.m.
[Received January 27—1:06 p.m.]

17. The following telegram has been sent to the Legation:

January 27, 10 p.m. The Japanese Consul at Nanking states that the Japanese Consul General at Shanghai has demanded from the Chinese authorities a favorable reply to the Japanese demands relating to Shanghai, January 28, midnight, failing receipt of which the Japanese naval authorities will take appropriate measures. My Japanese colleague informs me that he has today assured the Chinese Foreign Office that the Japanese naval vessels at Nanking will not take the initiative in fire action. He is of the opinion that the Chinese will deliver a favorable reply before January 28, midnight. From statements made to me by Chinese officials I share this view and I do not anticipate trouble at Nanking. All Japanese consuls in the

Yangtze Valley have orders to be ready to remove to naval vessels on receipt of telegraphic instructions.

Repeated to the Department.

PECK

393.115 Radio Corporation of America/3½ : Telegram

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

WASHINGTON, January 27, 1932—5 p.m.

Your January 25, 3 p.m.

1. Please bring urgently and orally to the attention of the Japanese Consul General, as under instruction from the Department, that information received by you and by the Department (without reference to the source of such information) indicates that Japanese armed forces may have in contemplation activities in territory near the International Settlement including areas in which radio transmitting and receiving stations are located; that obviously such activities may endanger these stations and jeopardize communications service; that the Radio Corporation of America has a substantial interest in the radio transmitting station at Chenju; that the Shanghai circuit of the Radio Corporation is carrying a substantial portion of communications traffic with China; and that the revenue received by the Corporation from this circuit is substantial in amount. You should state that the American Government is seriously concerned over the possibility of injury to substantial American interests and would greatly regret any interference with channels of communication to and from Shanghai. You may add that the American Government sincerely hopes that the reported intent of the Japanese military has no basis in fact.

2. The Department is also instructing the Ambassador at Tokyo to take this matter up immediately with the Japanese Minister for Foreign Affairs.

3. Repeat to Peiping.

STIMSON

793.94/3655 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 27, 1932—6 p.m.

29. Your 35, January 26, 4 p.m., paragraphs numbered 4 and 5. For your confidential information and guidance. The Department, on January 8, instructed the American Consul at Nanking to inform

the Foreign Minister orally that "without making any commitment, either affirmative or negative, with regard to its future course of action, which course will depend on developments, the Department perceives at present no immediate occasion for calling a conference and believes that it would not be opportune under existing circumstances to propose that step". The Chinese Minister at Washington (Dr. W. W. Yen) was also orally informed in the same sense on the same day.

The Department is still of that view.

You should not initiate any discussion of that question and if on any occasion you are called on to answer an inquiry thereon, any statement which you may make should conform closely to the phraseology of the above.

STIMSON

793.94/3677 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 28, 1932—noon.
[Received January 28—10:40 a.m.]

47. Consulate's 32, January 25, 10 p. m.,[59] paragraph 3, and Consulate's 46, January 29, 9 [*11*] a.m.[60]

The citation of Yoshizawa's statement before the Japanese Parliament on January 21st, which Sato made in the public meeting of the Council on January 25th, was in the following terms:

"Japan has no territorial aims in Manchuria. She is supporting the principle of the open door and of equal chance. She is also supporting all the treaties relating to that territory. What Japan desires is merely the assurance of peace and order in Manchuria. She desires to make that region safe for the Chinese as well as for foreigners and to make it open to all with a view to its economic development."

GILBERT

793.94/3665 : Telegram

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

SHANGHAI, January 28, 1932—noon.
[Received January 28—3 a.m.]

The Defense Committee this morning decided to ask the Municipal Council to declare from 4 o'clock this afternoon a state of emergency.

[59] Not printed; it reported the public meeting of the League of Nations Council that afternoon.

[60] Not printed.

The Council convenes at 12 o'clock and will undoubtedly declare a state of emergency.

2. The Japanese flagship was anchored last night in front of the Japanese Consulate. At 8:30 this morning a bomb was thrown presumably intended for the Japanese Consul General exploding at the corner of the Japanese consular property where the prison is located.

Repeated to the Legation.

CUNNINGHAM

793.94/3670 : Telegram

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

SHANGHAI, January 28, 1932—1 p.m.
[Received January 28—6:40 a.m.]

Following telegram has been sent to the Legation:

"January 28, 1 p.m. My January 27, 2 p.m.[61] I learn both from Mayor and Japanese Consulate General that Japanese Consul General has given Mayor until 6 o'clock tonight to answer satisfactorily the Japanese demands. Mayor issued a proclamation last night suppressing the Anti-Japanese National Salvation Association. In conversation this morning the Mayor informed me that he had ordered the five branches of this association to close; that this was the only association which was actively seizing Japanese goods; that yesterday Japanese Consul General had insisted that all associations containing in their names the words "anti-Japanese" must be closed; but that he, the Mayor, could not do this as many of them were not doing anything illegal and that if he were to close them there would be riots and disturbances. He added that he had prepared the way so that he looked for no disturbances to come from the present closing. His position seems perfectly logical and he created a very favorable impression by his statement of the case.

Chinese troops are continuing to erect barricades and are stopping motorcars, et cetera, on outlying roads and I have caused a notice to be published in the newspapers this morning that American residents in exposed districts should be prepared to act immediately and on their own initiative if and when conditions seemed to justify it."

CUNNINGHAM

793.94/3707 : Telegram

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

SHANGHAI, January 28, 1932—2 p.m.
[Received January 28—4:27 a.m.]

I learn on reliable authority that the Japanese military authorities intend to take action tomorrow morning January 29th. This is con-

[61] See telegram of same date to the Department, p. 73.

firmed by Secretary General of Council who was asked by Japanese [Consul General?] whether in event of prolonged Japanese occupation of Chinese territory contiguous to Settlement, Settlement police would undertake policing thereof. Japanese Admiral has waived his rights as senior officer in connection with Settlement deference [*defense?*] and Brigadier Franklin [*Fleming*], British commander, is senior officer. Later. Donald has just informed me that the Mayor's reply will be delivered to Japanese today [and] will be an unqualified acceptance of Japanese demands.

Repeated to the Legation.

CUNNINGHAM

793.94/3673 : Telegram

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

SHANGHAI, January 28, 1932—4 p.m.
[Received January 28—8:50 a.m.]

My telegram of January 27, 2 p.m., paragraph 2.

After careful consideration I believe that an American naval vessel should be stationed on the Whangpoo in the vicinity of the Shanghai Power Company's plant and American oil companies' installations, and another naval vessel near the Dollar Steamship wharf which is located upriver on the Pootung side. In making this recommendation I have in mind Department's telegram No. 419, December 18, 7 p.m., 1929, to the Legation, Peiping.[62] The effect, however, of naval vessels at points mentioned would be to deter possible communist disorders particularly among laborers of Shanghai Power Company, and also be a protection in the event of Sino-Japanese disturbance. As there is only one American naval vessel here at present I recommend that such additional vessels be despatched as the naval authorities consider proper.

Repeated to the Legation.

CUNNINGHAM

793.94/3816

Memorandum by the Secretary of State

[WASHINGTON,] January 28, 1932.

I had asked the French Ambassador when I saw him last night at dinner to come here this morning. I now told him that I only wished to talk over with him the situation at Shanghai so that we could under-

[62] *Foreign Relations*, 1929, vol. II, p. 500.

stand each other; that the propositions which I saw looming up as important were first, the interest which all foreign countries interested in the International Settlement have in common of postponing any military occupation of that Settlement by the Japanese until the local authorities have shown their inability to protect life and property therein. I pointed out that the International Settlement had a very good police force and was in that respect entirely differentiated from the rest of China. He acquiesced and interrupted to say that even when the municipal police broke down, the appeal should then be made not to Japan but to the Board of Consuls, in order that the protecting should be done by all the forces instead of by the Japanese alone. I said that I agreed with that absolutely, and I told him that I had sent a verbal inquiry to Tokyo asking the intentions of the Japanese on this point and expressing the hope that they would follow this line of action.

In the second place, I said that the press had mentioned the danger of a blockade and that was a very much more serious problem if it came, but I had had no news from the Japanese Government indicating that it might come; that I did not see how the Japanese could blockade Port Shanghai without either declaring war on the one hand, or on the other hand, making themselves liable to us in case they stopped our ships, and I reminded the Ambassador that this country has never recognized pacific blockade as applying to any neutral ships. He said he remembered it perfectly.

The Ambassador then asked me whether I had seen Lindsay. I told him I had and that I had discussed these two points with Lindsay and also had told him that we had received requests from our consuls in various parts of the Yangtze for us to send up additional destroyers, to be prepared to take off refugees in case the trouble should spread. I told Mr. Claudel that I had asked Lindsay whether Great Britain had any such idea and expressed the hope that if so, they would send the destroyers so that we would not seem by any possibility to be making a provocative gesture alone, which we had no intention of doing. Mr. Claudel said that he of course understood, and he thought it was essential to afford the requisite protection.

H[ENRY] L. S[TIMSON]

793.94/3661 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 28, 1932—noon.

30. Your 38, January 26, 9 p.m.[63] Inform Cecil as strictly confidential to himself that, before receiving the information contained in

[63] Not printed.

paragraph 5 of your telegram under reference, your Government had instructed the American Ambassador, Tokyo,[64] to urge upon the Japanese Foreign Office the importance of the situation at Shanghai in relation to international interests and world peace. Also, that the Secretary of State has noted with interest and appreciation the position which Cecil has taken, as reported in your paragraph 4, in support of the position of the United States in regard to the Manchuria question.

STIMSON

793.94/3687 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 28, 1932—4 p.m.
[Received January 28—3:30 p.m.]

48. The situation as it has developed may be summarized as follows:

1. Yen feels that a mere "declaration" by the President of the Council in any terms is of no value to him. If he be asked to express his views on the draft declaration (Consulate's 46, January 28, 11 a. m.,[65] paragraph 1) before it is presented to the Council he will make no comment nor will he disclose the steps he intends to take.

2. If the situation remains unchanged at the time of the public meeting of the Council which will be probably held tomorrow Yen will make a formal statement before the Council addressed to the Secretary General declaring that articles 10, 12 and 13 of the Covenant have been violated and invoking articles 10 and 15 with the proviso that this action in no way derogates China's rights under article 11.

This will be seen to be a modification of the plans outlined in Consulate's 35, January 26, 4 p. m., paragraph 1(*b*), and 43, January 27, 3 p. m., paragraph 1.

3. The results which may follow from such action are of course a matter for speculation. It is particularly difficult to forecast definite technical or concrete results. The policy which appears to be animating China at present is that she feels that to keep her case before the public and to win favorable world opinion she must invoke all her rights.

4. From the foregoing the invocation by China of the Nine-Power Treaty would seem to become a more [*vital?*] part of her program.

GILBERT

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[64] See telegram No. 25, January 27, 2 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 161.

[65] Not printed.

793.94/3674 : Telegram

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

PEIPING, January 28, 1932—6 p.m.
[Received January 28—8:45 a.m.]

139. Legation's 135, January 27, 8 p.m. Netherlands Minister has just called to state that his Consul telegraphs that state of emergency has been declared in Shanghai; that volunteers have been mobilized in International Settlement; that French have mobilized in the French Settlement, and that Japanese state they will begin action within 24 hours. He asked me to consider approaching Japanese and Chinese locally at Shanghai for the purpose of calling upon them to respect neutrality of International Settlement as was done in 1894.[66] I stated that I hesitate to take any action locally at Shanghai that might cause one side or the other to believe that the foreign powers [were?] taking sides in this matter. I certainly did not want to take any action that would inspire a false sense of security among the Chinese. Furthermore I did not understand that a state of war existed between China and Japan. I stated that I had telegraphed the Department regarding conditions at Shanghai, that I assumed that Japan would respect the neutrality of the International Settlement and in any case I did not wish to take action there without foreknowledge of the Department.

Thorbecke pointed out that there was grave danger that foreign volunteers and foreigners in Shanghai might find themselves involved in this trouble in such a way as to start antiforeign reactions. I agreed with him in regard to this matter and I feel that everything should be done to prevent volunteers getting involved. I think powers should call upon Japan to recognize international character of Settlement at Shanghai and to respect that situation and the neutrality of the International Settlement.

JOHNSON

[66] See despatch No. 48, September 15, 1894, from the Chargé in China, *Foreign Relations*, 1894 (appendix I), p. 58.

793.94/3975

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck) of a Conversation With the Japanese Chargé (Kato)

[WASHINGTON,] January 28, 1932.

Mr. Kato called and, after certain desultory remarks on things in general, said that he was instructed to say that his Government was having to deal with a very troublesome situation at Shanghai. He said that the Chinese had been behaving in a very annoying manner and a few days ago had assaulted five Japanese monks and had killed one. He said that Shanghai was the headquarters of the anti-Japanese boycott associations. Japan had been forced to send naval vessels and men but did not wish to do anything which would complicate the situation and certainly had no intention of interfering with interests of other powers or causing any inconvenience.

I stated to Mr. Kato that we had within the half hour received a telegram from Shanghai[66a] stating that the Japanese Consul General there had informed the Consular Body that he had received the Chinese mayor's reply, which reply he considered satisfactory and thought that there would be no trouble provided the Chinese kept their promises.

Mr. Kato said that he had not received this information and that he was happy to hear of it.

I took occasion to say to Mr. Kato that the Shanghai situation seemed to us a very delicate one and we were concerned with regard to it. I mentioned various factors in the problem, and he said that he quite agreed.

JANUARY 29, 1932.

(NOTE: It now appears that, notwithstanding what the Japanese Consul General said to the Consular Body at Shanghai at 4 p.m., a Japanese attack began that night at midnight. It will be remembered that the Japanese Consul General had apparently, as reported by Cunningham in Shanghai's January 25, 5 p.m., on an earlier date "promised that reply from mayor to Japanese demands . . . will be given to Council 24 hours in advance of any Japanese action". And that the Japanese Consul General, as reported in Cunningham's January 27, 11 a.m., had "promised to inform me (Cunningham) and the Municipal Council of the Chinese reply and to give us advance notice of any military action to be taken. He further stated that no action will be taken until forty hours after the delivery of an ultimatum."

The Japanese attack seems to have begun *nine* hours after the Japanese Consul General received the Chinese reply and within *two* hours

[66a] Dated January 28, 6 p.m.; not printed.

of the moment when Mr. Kato was talking to me. It does not appear that the Japanese Consul General gave the Consular Body copy of the Chinese reply, in advance.[)]

S[TANLEY] K. H[ORNBECK]

793.94/3659 : Telegram

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

WASHINGTON, January 28, 1932—5 p.m.

31. Your 131, January 27, 3 p. m., and 135, January 27, 8 p. m.

1. Department appreciates your analysis of situation and of Department's instructions.

2. The Consul General at Shanghai should be guided by Legation's circular No. 7, February 14, 1930.[67]

Department's comments on your telegrams under reference will follow in due course.

Meanwhile, please note that section 3, subsection 8 of the circular refers to a situation which has developed, where there is an actual failure or clear unpreparedness of the Municipal Administration to give due protection, and not to a situation where such a failure is only tentatively apprehended.

STIMSON

CHAPTER II: JANUARY 29–31, 1932

Japanese Advance Into Chinese Territory at Shanghai and Resistance by Chinese Troops; China's Invocation of Articles 10 and 15 of League Covenant and Appeal to United States, France, and Great Britain to Act Under Nine-Power Treaty of 1922 and Kellogg-Briand Pact of 1928; Representations by Powers to Japan; President Hoover's Proposal of Anglo-American Appeals to Japanese Emperor to Stop Hostilities at Shanghai; Authorization of Consular Committee at Shanghai to Report to League Council; Precautionary Measures by Powers for Defense of International Settlement; Efforts at Shanghai to Arrange Cessation of Hostilities.

793.94/3689 : Telegram

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

SHANGHAI, January 29, 1932—7 a.m.
[Received January 28—11:28 p.m.]

Japanese Navy with slight resistance occupied Chapei about midnight while all were lulled into a [sense?] of relief by the assurance of

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[67] Not printed; it circularized to consular officers in China telegram No. 47, February 5, 1930, to the Minister in China, *Foreign Relations*, 1930, vol. II, p. 85.

Japanese to full [*consular?*] body at 4 o'clock yesterday afternoon. The troop movements are stated to be on the ground of protection of large number Japanese in Chapei. Occasional heavy artillery is heard in that direction as well as planes plainly visible. Details will follow.

Repeated to Department [*Legation?*].

CUNNINGHAM

793.94/3688 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 29, 1932—9 a.m.
[Received January 29—6:40 a.m.]

50. Consulate's 48, January 28, 4 p.m., paragraph 2.

Yen is this morning addressing the following letter to the Secretary General. He is taking this action without awaiting a public meeting of the Council which is at present set for this afternoon.

"Under instructions from my Government I have the honor hereby to give notice as follows:

1. A dispute between two members of the League of Nations, to wit: China and Japan, arising from the aggression of the latter against the territorial and administrative integrity and political independence of the former in violation of the provisions of the Covenant of the League of Nations, exists.

2. This dispute has not been submitted to arbitration or to judicial settlement in accordance with any of the articles of the Covenant.

3. The said dispute has now reached a stage when it is likely to lead to an immediate rupture between China and Japan.

4. China hereby invokes the application (not in derogation of the measures taken or which may be taken by the League in the exercise of its functions under article 11 but in addition thereto) both of article 10 and of article 15 of the Covenant to said dispute and formally submits the said matter to the Council for all appropriate and necessary action under both of said articles.

5. For this purpose China begs leave to refer to, and hereby adopts as and for the statement of its case comprising the relevant facts and papers in relation to said matter, all the statements and papers heretofore made and submitted by China in the proceedings of the Council taken in said controversy under article 11 of the Covenant from September 18, 1931, to the date hereof."

Yen is informing the press of the general nature of this action but is not giving the press the text of his letter.

GILBERT

793.94/3690 : Telegram

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

SHANGHAI, January 29, 1932—10 a.m.
[Received January 29—4:30 a.m.]

Japanese naval units now at Shanghai comprise: 17 destroyers, 4 cruisers, 1 aircraft carrier, 1 gunboat. Of these units 12 destroyers and 1 cruiser arrived yesterday.

Repeated to the Legation.

CUNNINGHAM

793.94/3691 : Telegram

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

PEIPING, [January 29, 1932.]
[Received January 29—4:30 a.m.]

144. Following from American Consul General at Mukden:

"January 28, 3 p.m. Officially announced this morning that one infantry battalion and one artillery battalion accompanied by several aircraft left Changchun for Harbin at 9 a. m. today.

It is understood that they are travelling in trucks."

JOHNSON

793.94/3694 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 29, 1932—1 p.m.
[Received January 29—7:58 a.m.]

18. 1. Lo Wen-kan was yesterday appointed Minister of Foreign Affairs and Wang Ching-wei President of the Executive Yuan. Both have today assumed office.

2. The Minister of Foreign Affairs asked me to call on him at 11:45. Hsu Mo, who will be appointed Vice Minister, was also present. The Minister of Foreign Affairs gave me an account of the hostilities be-

tween Japanese and Chinese troops at Shanghai beginning at about January 28, midnight, as they have been reported to the Chinese Government. He depicted the extreme gravity of the situation and then gave me an oral message which he requested that I telegraph direct to the Department in view of the urgency of the situation at Shanghai. The substance of his message is as follows:

2. [*3?*] "China as a signatory power to the Nine-Power Treaty and the Pact for the Renunciation of War has consistently endeavored throughout the controversy with Japan to fulfill her obligations under those treaties. Adherence to these covenants has not, however, deprived China of right to act in self-defense and there is a limit to the power of endurance and restraint of any nation. The act of the Japanese forces at Shanghai during the night of January 28th in invading Chinese territory and attacking Chinese forces was a violation by Japan of both of the treaties named and every moment threatens to bring China to the point at which it will be impossible to restrain the Chinese people from taking measures of self-defense. The Chinese Government invites special attention to the fact that the Japanese attack on Chinese forces started about midnight whereas 1:45 in the afternoon of the same day the Chinese authorities delivered to the Japanese a reply to the Japanese demands which the Japanese themselves had admitted was satisfactory. China is determined to refrain as long as possible from engaging in war with Japan but action in self-defense under conditions like this may become inescapable. The character of Shanghai as a huge international center makes the threat of military action there more than a question involving China and Japan alone for the danger and loss will involve many nations. In these circumstances China, as a signatory to the two treaties named, appeals to the United States as the nation which may be regarded as primarily responsible for those covenants to take immediate friendly measures to bring the hostile acts on the part of Japan to an immediate end. A similar appeal is being made orally to the Governments of France and Great Britain through their diplomatic officers in Nanking. The Minister of Foreign Affairs has telegraphed to the American Minister at Peiping asking him in view of the grave situation at Shanghai to come to Nanking at once."

Repeated to Legation.

PECK

894.51/325

Memorandum by the Under Secretary of State (Castle) of a Conversation With Mr. Thomas W. Lamont, of J. P. Morgan & Company, in New York City on January 28, 1932

[WASHINGTON,] January 29, 1932.

In the course of conversation last night I said to Mr. Lamont that it would look as though Japan, who must be up against it financially, would be looking for further advances in this country. Mr. Lamont

said that they had not so far requested any loan, but that if they should do so there would not be a chance in the world that their request would be granted. He said that New York had no money to loan except on the best of security, that Japan, at the moment, was anything but good security, since its trade had so greatly fallen off and since the country had gone off the gold basis. He said very firmly, "New York is not going to lend any money whatsoever to Japan at the present time."

W. R. CASTLE, JR.

793.94/3725

The British Embassy to the Department of State[68]

AIDE-MÉMOIRE

His Majesty's Government fully share the anxiety of the United States Government to take any effective and timely action calculated to diminish the dangers of the situation between China and Japan. They have instructed His Majesty's Ambassador at Tokio to notify the Japanese Government, as suggested, that nothing in the present situation could justify the entry of Japanese armed forces into the International Settlement at Shanghai. His Majesty's Ambassador has been instructed to inform his United States Colleague of his action. It is assumed that the latter is similarly authorized. His Majesty's Government have also invited the French and Italian Governments to take similar action.

They feel some anxiety lest the Japanese may seek to defend the action which it is feared they may take, by quoting the precedent of 1926, even though the circumstances were different. It is felt therefore that the representations made should bear this point in mind.

On January 28 the Secretary of the Japanese Embassy left a message at the Foreign Office to the effect that the Chinese menacing attitude was causing anxiety to the Japanese residents in Shanghai. It was feared that in order to check anticipated Chinese movements, some drastic action might have to be taken. The Japanese authorities on the spot however were alive to the international character of Shanghai and were keeping in contact with the Consuls of the Powers interested and with the Municipality.

Sir John Simon sent for the Secretary and asked what drastic action was contemplated. The Secretary suggested that the first step would

[68] Undated *aide-mémoire* left with the Secretary of State by the British Ambassador on January 29, 1932, at 10:15 a.m.

be to suppress by force the headquarters of the anticipated Chinese movement in the Settlement. Sir John Simon expressed grave concern. He pointed out that a number of Governments were jointly concerned in the area. If any action in it were necessary, all the different Powers concerned should be informed and invited to act jointly.

793.94 Commission/41 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 29, 1932—1 p.m.
[Received January 29—11:30 a.m.]

52. Consulate's 51, January 29, noon.[69] Drummond has just conveyed to me the following communication with the request that it be transmitted to you:

"A meeting was held this morning between the President of the Council, French representative, and the representatives of Great Britain, Germany, Italy, together with the Secretary General.

The proposal was put forward that in view of the Chinese request for the application of article No. 15 as well as article No. 11, a request based clearly on recent developments at Shanghai, the Commission of Inquiry should be asked to proceed to Shanghai by the quickest possible route, the Trans-Siberian Railroad. As this, however, at best must take 3 weeks it was suggested that in the meantime the powers having nationals on the Commission should be invited by the Council to form a temporary commission to act as a provisional commission pending arrival of the Commission already nominated. The provisional commission would consist of those Ministers or Consuls General on the spot and its task would be to report on the facts and causes of the recent incidents at Shanghai.

The representatives of France, Great Britain, Germany and Italy are requesting the agreement of their Governments to this proposal. They expressed the hope that if such a temporary commission is formed the Minister or Consul General of the United States in Shanghai will be authorized to be a member of it."

Please instruct as to reply.

GILBERT

793.94/3703 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 29, 1932—2 p.m.
[Received January 29—11:35 a.m.]

54. I have orally delivered to Cecil the communication conveyed in your 30, January 28, noon.

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[69] Not printed.

He wishes me to express to you his deep personal gratitude for your message. He added, as his personal opinion, that the events at Shanghai had produced a situation which called for immediate and strong action and that if such action were not taken still worse troubles would develop.

GILBERT

793.94 Commission/42 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 29, 1932—3 p.m.
[Received January 29—12:55 p.m.]

53. Consulate's 54, January 29, 2 p.m. In the conversations which I have just had with Cecil it developed that "in his understanding at least" the "temporary commission" to investigate conditions in Shanghai envisaged in the communication from Drummond conveyed to you in the Consulate's 52, January 29, 1 a.m. [*p.m.*], is not a temporary commission in the sense that it is designed solely to act pending the arrival of the Manchurian Commission of Inquiry as suggested in the Consulate's 51, January 29, noon.[70] While it may in effect serve that purpose and will likewise serve to satisfy the Chinese demand that an inquiry be undertaken as soon as possible, its constitution will flow rather from the provisions of article 15 of the Covenant; in other words it contemplates the means which the Council will employ to inform itself, responsive to the terms of article 15. The project for this commission is therefore in anticipation of probable action by the Council upon its receipt [of] China's appeal under article 15. I hasten to inform you of this as it may have a distinct bearing on your reply to Drummond's communication and I shall therefore wait your reply to this present telegram before delivering any reply which I may receive from you in answer to Drummond's communication. I feel that I must add that the situation here is very confused and it is extremely difficult to ascertain the precise status of many points in the rapid developments that are taking place. In particular the relative juridical status of appeals under two or more articles of the Covenant is not yet clear in the minds of members of the Council.

GILBERT

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[70] Not printed.

793.94/3695 : Telegram

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

SHANGHAI, January 29, 1932—4 p.m.
[Received January 29—9 a.m.]

My telegram of January 29, 7 a. m. The military occupation of Chapei by the Japanese forces continues. Chinese resistance appears to be increasing.

2. The Japanese Consulate General and Japanese Admiral state that their occupation of Chapei was a measure for the protection of their nationals and a part of the general defense scheme of the Settlement; that it was not connected with the Consul General's demands. They said that in engagement last night and early this morning Japanese suffered 95 casualties, including 11 killed. Chinese casualties unknown but must be many times heavier.

3. I received a call this morning from Mayor Wu. He was very anxious that something be done to stop the fighting since he declared Japanese forces undoubtedly endanger the Settlement. British Consul General and myself called on Japanese Consul General and Japanese Admiral on behalf of preserving International Settlement. Fuller details will be reported later date.

4. Latest development is that Japanese have cut Shanghai-Hangchow Railway at bridge over Soochow Creek behind [Jess]field [Park?] and British forces holding that sector have retreated. This may be the forerunner of more extensive military operations. Heretofore the Japanese military operations have been confined almost entirely to Chapei. Japanese deny report published in press this morning that they had attacked Woosung forts.

Repeated to the Legation.

CUNNINGHAM

793.94/3697 : Telegram

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

TOKYO, January 29, 1932—5 p.m.
[Received January 29—7:23 a.m.]

28. The Belgian Ambassador has frequently called upon me recently and expresses great anxiety over the situation. He feels the Japanese Army has got out of control, our dealings diplomatically being with a branch of the Government [apparent garble] and with no power either of telling what the military and naval branches of the Govern-

ment are going to do or of making them conform to any representations it may make. He foresees additional trouble and is keeping in constant touch with me.

The British Ambassador is also in touch with me and under instructions from his Government is visiting the Foreign Office this afternoon.

Our Naval Attaché has received an official account from the Japanese Navy Department of events so far. They state that the landing of Japanese forces was with an understanding with the Shanghai municipal authorities, as indicated in my telegram No. 26, January 28, 9 p. m.[71] to protect Japanese residents outside of Settlement zone. He is wiring details of sharp clash with Chinese Regular Army, and reports additional Japanese cruiser and four destroyers are being sent to Shanghai.

FORBES

793.94/3696 : Telegram

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

PEIPING, January 29, 1932—5 p.m.
[Received January 29—7:38 a.m.]

148. Following telegram has been sent to Shanghai:

"January 29, 3 p.m. Your January 27, 2 p.m., January 28, 2 p.m., and January 28, 6 p.m. Legation approves handling of delicate situation which has developed in Shanghai and hopes that no effort will be spared to prevent volunteers and Settlement authorities becoming involved in what is primarily a quarrel between Japanese and Chinese.

Telegrams from commander in chief up to 6 a.m. this morning report occupation of Chapei by Japanese and bombardment of Woosung by Japanese naval vessels. I understand from your January 28, 2 p.m. that Japanese are respecting neutrality of Settlement, Japanese Admiral having waived rights of senior officer in connection with Settlement defense, so that question raised in paragraph 8 of your January 27, 2 p.m., has been satisfactorily met.

I am particularly alarmed at suggestion made to Secretary General of Council, reported in your January 28, 2 p.m., that the Settlement police should undertake policing of territory occupied by Japanese. I am anxious that we should avoid any step that might involve us in these matters and I believe that at Shanghai you should use every occasion to persuade Municipal Council against taking any such step."

JOHNSON

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[71] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 163.

793.94/3692 : Telegram

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

SHANGHAI, January 29, 1932—6 p.m.
[Received January 29—9:05 a.m.]

[1.] Four Chinese members of the Shanghai Municipal Council called on me at noon in connection with use [by Japanese?] forces [of] International Settlement as a base of operations. They stated they were entering a protest through the Chairman of the Council to senior officer of the defense forces and that they would probably also protest to me. No protest received as yet but the matter may become important.

2. I have received notification from Shanghai Bankers Association that chamber of deputies has decided to institute a general strike as a protest and sign of national indignation against military action by Japan last night. They stated that this action was taken in spite of definite agreement having been reached through their efforts to meet all Japanese demands. Chinese bankers have also declared a temporary stop of business in the near future.

Repeated to the Legation.

CUNNINGHAM

793.94/3713 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, January 29, 1932—6 p.m.
[Received January 29—3 p.m.]

30. Vansittart sent for me this afternoon and explained that since your conversation with Lindsay early in the week British Government had been attempting to compose its reply, having in mind the precedent established in 1927 when British troops were introduced into the International Settlement only, however, after consultation with the interested powers. Yesterday afternoon British difficulty was solved in that the Japanese Chargé d'Affaires called upon the Foreign Secretary and explained that in the opinion of the Japanese Government drastic measures might be necessary in Shanghai in an effort to suppress centers of anti-Japanese propaganda. The Foreign Secretary immediately asked what was meant by "drastic" action and the Japanese Chargé d'Affaires stated that introduction of Japanese troops into the International Settlement was envisaged. Vansittart said this immediately put the British in position to make the representations to the

Japanese Government along the lines set forth in my 29, January 29, 1 p. m.,[72] pointing out the 1927 precedent.

Vansittart stated Lindley was instructed to approach the Japanese Government immediately, acting insofar as possible with his American colleague. In the meantime British Government had advised Rome and Paris, as well as Washington, of this instruction telegraphed the British Ambassador in Tokyo last evening[73] in the hope that these countries might instruct their diplomatic representatives in the same sense.

I was informed that this morning a further 8-inch gun cruiser had been ordered from Hong Kong to Shanghai.

Vansittart then stated a further instruction to that of last night had been telegraphed to Ambassador Lindley in Tokyo this morning and repeated to the British Ambassador in Washington, who was instructed to inform you of the substance of this instruction to Lindley but no other government has been apprised of it.[74] In short, only latest Foreign Office cable to Tokyo instructs Ambassador Lindley to protest to the Japanese Government against the use of force in the Chinese suburb of Chapei where there are also many foreign interests, and states, *inter alia*, that the presence of disorganized Chinese troops there cannot be considered as sufficient reason for the measures taken.

ATHERTON

793.94/3794

The British Embassy to the Department of State[75]

TELEGRAM FROM SIR J. SIMON TO HIS MAJESTY'S AMBASSADOR AT TOKIO, JANUARY 29th, 1932

Information has reached me to the effect that Chinese authorities at Shanghai yesterday acceded to all the Japanese demands and that their reply was accepted by Japanese Consul-General as satisfactory. It was believed therefore that crisis had passed and both Consul-General at Shanghai and Mr. Ingram were informed by their Japanese colleagues to that effect. Nevertheless though so far as I am aware no new facts had arisen to alter situation Japanese forces attacked during the night densely crowded Chinese suburb of Chapei adjoining International Settlement. I understand that excuse advanced for this action

[72] Not printed.
[73] See undated *aide-mémoire* from the British Embassy, p. 93.
[74] *Infra.*
[75] Handed to the Under Secretary of State by the British Ambassador on January 29.

was presence of certain unreliable Chinese troops in this district. This however was not new factor; presence of ill disciplined Chinese soldiery may also be regarded as one of the permanent features of every situation in China, and in present case affords no justification for precipitate action of Japanese forces in violation of agreement reached between Chinese authorities and local representatives of Japanese Government. If it is the case as appears from press reports that Chinese military authorities were actually engaged in sending reliable troops into district to control situation in accordance with agreement referred to above when Japanese attack took place this would appear to give a strong prima facie impression that attack was both unprovoked and indefensible.

You should immediately press Japanese Government for an explanation on this point. You should emphasize fact that it must naturally be a matter of grave concern to His Majesty's Government that such an unabashed . . .[76] attack is made upon a co-signatory of Kellogg Pact and a fellow member of League of Nations and that it would be impossible for His Majesty's Government to acquiesce in International Settlement being used as a base for prosecution of attack. You should further point out that there is a large foreign population in Shanghai and a vast concentration of British and other foreign interests in International Settlement and adjacent areas—as for example railway station and other property of Shanghai-Nanking Railway in Chapei. His Majesty's Government therefore protest strongly against action of Japanese forces which has already gravely endangered foreign life and property and request that Japanese Government will take steps to effectively control those forces with a view to restoring normal condition in Shanghai at earliest possible moment.

Sir J. Simon hopes that the United States Government may be able to send instructions urgently in a similar sense to their Ambassador in Tokio.

He has, in this case, made no communication to any other foreign Power.

793.94/3697 : Telegram

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

WASHINGTON, January 29, 1932—6 p.m.

Tokyo Embassy reports under date of January 29, 5 p.m., that our Naval Attaché at Tokyo had received an official account from the Jap-

[76] Omission indicated in the original.

anese Navy Department of events at Shanghai so far. The naval authorities state that the landing of Japanese forces was with an understanding with the Shanghai municipal authorities, "to protect Japanese residents outside of Settlement zone". Do you know of any such understanding with the municipal authorities?

Repeat to Legation, Peiping, for its information.

STIMSON

793.94 Commission/46a : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, January 29, 1932—7 p.m.

40. Please convey the following to Lord Lytton from General McCoy:

"General McCoy feels that an adequate personal staff for each Commissioner is essential to the performance of their duties on this important mission of inquiry into the Japanese-Chinese dispute. Its scope seems to be enlarging with gradually increasing responsibilities. General McCoy believes that under the present arrangements it will be impossible for the individual Commissioners adequately to study, compile and analyze the mass of data and information necessary to arriving at intelligent and accurate opinions and conclusions or to conduct such individual reconnaissances or special investigations in the outlying districts as are certain to be necessary in the course of the Commission's inquiry."]

For your own personal information and guidance, I concur with General McCoy in the belief that a personal staff for each Commissioner is essential to the proper performance of their duties if, as it appears, it is intended that the Commission's inquiry should be thorough and complete. Furthermore, I feel strongly that the individual commissioners should not be expected to bear the expenses involved in providing a necessary personal staff, but that such expense should be borne by the League. Will you submit General McCoy's views to Lord Lytton with the suggestion that he submit this important matter of personal staffs for the Commissioners to the President of the League Council for reconsideration. In doing so, avoid making this seem to be an official representation from this Government. Explain to Lord Lytton that General McCoy had planned to take this important matter of personal staffs up with him personally while in Washington. This seems impossible in view of recent information to the effect that the Commissioners will proceed direct to Shanghai.

STIMSON

793.94/3710 : Telegram

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

SHANGHAI, January 29, 1932—7 p.m.
[Received 8:21 p.m.]

My telegram January 28, 6 p.m.[76a] In the light of later developments I wish to amplify that as follows:

At the commencement consular body meeting January 28th Japanese Consul General stated substantially as follows:

"I am sorry you have all been so concerned with the recent crisis but I am happy to say that I received at 3 o'clock this afternoon a satisfactory report from the Mayor. If what he said in that letter can be carried out the crisis will be over and a clash will be avoided. This morning I prepared a statement on the situation which I will now read."

Following is text of statement:

1. The fact that within the past 5 months pernicious anti-Japanese excesses and outrages have been committed by a large number of Chinese people, especially in this part of the country, is a matter of common knowledge. Under the guise of patriotic movement they have conducted assiduous campaign of unlawful boycott and confiscation of the goods of Japanese origin which were legally manufactured here or imported from Japan under treaty provisions and in reliance on China's integrity. They have lynched [*sic*] the innocent dealers in Japanese goods with detention, imprisonment, and all conceivable methods of punishment, in utter defiance even of the minimum requirements of friendly intercourse and trade. The terrorism among the masses is now even intimidating the judiciary to pursue a questionable course.

2. Nor do I need to dwell upon the wholly [*sic*] insecurity of Japanese life and property in this vicinity. Unpleasant and unfortunate incidents are too many to enumerate. And no few Japanese have already been involuntarily compelled to offer supreme sacrifices at the altar of lawlessness.

3. I have repeatedly and urgently requested of the Chinese authorities concerned to control these illegal and criminal activities of their own people. While ostensibly admitting the lawlessness of these acts, not once have they seriously and sincerely endeavored to curb them. The evidence, if any, tends to prove that the contrary is the case.

4. As a consequence within the last few days there was a case of the *Min Kuo Jih Pao* where a most disrespectful and abusive article referred to His Imperial Majesty of Japan which decidedly aggravated the feeling of the Japanese people. On the heels of it there took place on January 18th a murderous outrage upon the defenseless Japanese monks. Even since my last note to the Mayor, there was an incendiary fire on January 24th, at the local residence of the Japanese Minister

[76a] See footnote 66a, p. 88.

and just this morning a bomb was thrown at the Japanese Consulate General where also the Shanghai office[s] of the Japanese Minister are situated. In both cases it has been ascertained beyond reasonable doubt that they were perpetrated by the so-called "death defying corps". I need not explain just how the Japanese residents are agitated and concerned with the sense of extreme insecurity. Their patience has been tested to the limit.

[5.] In order to forestall any further repetition of those unfortunate cases, right after the incident in which five Japanese monks were fatally assaulted, I addressed a note on January 20th to the Mayor of the Municipality of Greater Shanghai containing the following four points:

(1) The Mayor's apology to the Japanese Consul General.
(2) The arrest and punishment without delay of the culprits.
(3) The indemnification for the medical care and solatiums to the five Japanese concerned.
(4) The immediate suppression of anti-Japanese and Japan-insulting manifestations and activities, especially the dissolution of all anti-Japanese national salvation committees and other kindred anti-Japanese organizations.

[6.] As you can well surmise, we attach the greatest importance to the fourth point, for there lies the root of all local anti-Japanese troubles. I have afforded the Mayor ample time for his thorough deliberations. I am expecting the Mayor's reply at almost any moment. But should no satisfactory one be received by 6 o'clock this evening I am constrained to say and most reluctantly that we may be obliged to take such measures of self-protection as will ensure the safety of Japanese life and property. Needless to say that whatever action we may take we propose to respect the integrity of the International Settlement and to take all possible measures to safeguard the life and property of the inhabitants thereof.

Repeated to the Legation.

CUNNINGHAM

793.94/3702 : Telegram

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

SHANGHAI, January 29, 1932—8 p.m.
[Received January 29—11:45 a.m.]

Paragraph 3 of my January 29, 4 p. m. After communicating Japanese Admiral's message to the Mayor at 6:30 this afternoon at the Japanese Consul[ate] General an armistice was arranged to become effective at 8 o'clock tonight. We await developments.

Repeated to [Legation?].

CUNNINGHAM

793.94/3730 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 29, 1932—8 p.m.
[Received January 30—3:07 a.m.]

55. 1. The Council, other than the parties to the dispute, held a private meeting this afternoon to study the new situation brought about by China's invocation of articles 10 and 15 of the Covenant. Certain juridical questions relating to the concurrent application of articles 11 and 15 still require clarification and the members of the Council are considering them as well as certain matters of procedure involved therein. The points, however, on which definite conclusions were reached were brought out in the public session which followed immediately afterwards.

2. At the opening of the public session Drummond at once read Yen's letter invoking articles 10 and 15 of the Covenant which letter was transmitted in Consulate's 50, January 29, 9 a. m.

3. Boncour then informed the Council of the statement which had been drafted yesterday by the members of the Council, other than China and Japan, which it was hoped would conclude the question as far as the present session was concerned. He then virtually repeated the statement which was transmitted in Consulate's 49, January 28, 7 p.m.,[77] with the exception of that paragraph relating to the Commission of Inquiry.

4. Boncour then went on to say that now, however, the new request of China imposes new duties upon the Council. In this regard the Council must be guided by what is accepted as a legal interpretation of the situation given in 1927 and on other occasions whereby procedure under article 15 cannot conflict with the continuation of efforts for conciliation under article 11. He expressed the opinion that according to the Covenant as soon as article 15 was invoked that article must be applied. Quoting paragraph 1 of that article Boncour stated that he would later in the meeting call upon the Secretary General to explain to the Council what proposals he desires to put before it.

5. Yen then spoke briefly to the following effect:

China appreciates the efforts of the League under article 11 but is compelled to recognize that these efforts have proved ineffectual. Stating that the territorial and administrative integrity of China has been destroyed and her independence threatened by external aggression, Yen then read article 10 declaring that the first sentence of this article had become operative and that it remains for the Council to act under the second sentence. Yen further stated that the Japanese use of

[77] Not printed.

armed force without submitting the entire matter to arbitration or judicial settlement and without awaiting the outcome of the inquiry by the Council is in direct violation of the letter and the spirit of the Covenant.

6. In conclusion he read an official telegram January 29 from Nanking regarding the landing of Japanese troops in Shanghai. This telegram affirmed that although the Japanese Consul General in Shanghai was satisfied with the reply of the Chinese municipal government the Japanese naval commander had delivered an ultimatum demanding the immediate withdrawal of Chinese troops. While the Chinese authorities were protesting against this ultimatum the Japanese troops commenced machine-gun fire on Chinese forces. The telegram then recounted that after this clash Japanese marines were landed from all [ships?].

7. In reply Sato announced that he had received an official telegram which gave an entirely different picture of events in Shanghai. This telegram stated that on January 27 the commanders of the foreign forces at Shanghai divided up to [*sic*] the city into protection zones, one of which was assigned to Japan, and which were geographically identified. The British and American Consuls General had advised their nationals outside the Concession to return within it. Meanwhile great disorder was being created by agitators and soldiers in disguise and by the advance of Chinese troops along the railway line from Woosung. The Municipal Council declared a state of siege on January 28. In view of the critical situation the Japanese naval commander decided to protect Japanese nationals by establishing marine posts in the Japanese zone and when these marines were going to the posts they were attacked by regular Chinese forces. In addition disguised Chinese soldiers had commenced to create disorder within the Japanese protection zone. Later other offensive measures were undertaken by Chinese troops which led to the reenforcement of the Japanese marines.

Sato's interpretation of this telegram was that it was not the Japanese who took the decision to land but that the landing was preceded by advice and a request from the commanders of the foreign forces who had allotted to each nation the zone that it was to protect. The marines who were landed in virtue of this decision of the commanders of the foreign forces were attacked by Chinese.

8. In response to the Chinese accusation that Japan had violated its territorial integrity Sato recalled that there were precedents for such incidents, notably in 1927, and that Japan had not been the first to introduce such measures.

9. With regard to the invocation of article 15, Sato insisted that the Council has carried on discussions under article 11 and if the matter

were now to be discussed under article 15 "the very basis of the discussion in the Council would have to be radically changed". In support of this view he declared that the provisions of these two articles are entirely different, claiming that article 11 deals with threats, war, or circumstances constituting a threat of peace, and that article 15 deals with disputes likely to lead to a rupture. He doubted if the Council could act under both articles at the same time, pointing out that under article 15 the Secretary General can make all arrangements for a full investigation on the spot but that such inquiries could not be of the same character as those undertaken by a Commission of Inquiry as constituted under the Council resolution of December 10. He then suggested that the departure of the Commission of Inquiry should be postponed until the Council has settled the points just raised. Sato then objected to the presentation of the Chinese statements and documents under article 11 as constituting a Chinese statement to be examined by the Council under article 15. Reiterating that under article 15 the Council is charged with the examination of a "dispute likely to lead to a rupture," Sato questioned whether the Chinese Government intends to proceed to an immediate rupture. Recalling that the dispute was originally caused by destructive acts of Chinese soldiers in Manchuria and that action by the Japanese had been in the nature of "self-protection necessary in regions where, contrary to conditions existing normally, there is no legal protection from the authorities," Sato could not admit in these circumstances the existence of a dispute subject to settlement as provided for under article 15. In conclusion Sato reiterated the willingness of Japan to enter into direct negotiations with the Chinese Government and questioned whether the latter was justified in bringing a question before the Council before it has tried to settle the question by diplomatic means with the government concerned.

10. In reply to Sato's objections regarding the procedure, Boncour pointed out that contrary to the Japanese point of view the Chinese appeal is not a matter on which the Council is free to act as it will. He declared that under article 15 any member of the League can bring a question before the Council and the Secretary General must immediately make arrangements for securing information and there can be no doubt as to whether the Council would apply that article. He then reminded the Japanese representative that the findings of a committee which was appointed to consider this question, presided [over?] by Adachi and confirmed by the Council unanimously March 13th, 1924, clearly indicated that the Council, when seized of a dispute submitted under article 15 as "likely to lead to a rupture", is not bound either at the request of the other party or on its own authority and before inquiring into any point to decide whether in fact such description is well

founded. Furthermore, the Council may at all times estimate they had [cognizance?] of a dispute and determine the course of its action accordingly. In view of this expression of opinion by jurists, Boncour did not believe that the Council could reject a request that the matter be considered under that article.

With reference to the question whether procedure under article 15 would automatically cancel procedure under article 11, Boncour declared that the action of the Council under article 15 is clearly defined and that "it may be said that that procedure is not incompatible with the measures already taken under article 11". In this connection he referred to a request by Osaka [*Czechoslovakia?*] at the sixth session of the Council wherein the Council was asked that both articles should be applied and that no objection was raised to these articles being applied at the same time.

[11?] Boncour then called upon the Secretary General to explain what procedure he had in mind to secure the necessary information. Drummond then explained that article 15 clearly contemplates an investigation by the Secretary General and also that the parties to the dispute should communicate to the Secretary General a statement of their case. He did not consider, however, that Yen's reference to evidence submitted under article 11 constituted all the relevant facts and papers and he expressed the hope that the latter would furnish him with a comprehensive statement.

Drummond considered it of the greatest importance that the Council should have impartial and speedy information as to the origin and development of the dispute, particularly with regard to the Shanghai incidents. He therefore requested that as the Chinese appeal under article 15 had only been received today that he be allowed until tomorrow morning to make definite proposals in this regard.

12. Sato reserved the right to make further observations on Boncour's statement regarding procedure especially in view of the heavy responsibilities which the Council is undertaking.

13. The discussion on the Chinese appeal concluded with a statement by Boncour urging both the Chinese and Japanese representatives to telegraph to their Governments "reporting the emotion with which the Council is following the present grave events and that the Council will not terminate its action until, in accordance with the Covenant, it has discharged the heavy duties which fall upon it". He also urged both parties to do everything to avoid further clashes.

Yen and Sato promise[d] to telegraph to this effect but Sato added that he feared that the already tense relations between the two countries would not be improved by this new step on the part of China.

GILBERT

123J634/210 : Telegram

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

PEIPING, January 29, 1932—9 p.m.
[Received January 29—6:35 a.m.]

146. I have just received the following telegram from the Acting Minister of Foreign Affairs:

"In view of the very grave situation that has already developed in Shanghai I have the honor to request Your Excellency to come to Nanking at once. Please favor me with a reply. Lo Wen-kan."

I propose to leave here for Nanking Sunday evening, January 31st, taking Engert and Murray.

JOHNSON

793.94/8864

The Commander of the Fourth Regiment, United States Marines (Hooker), to the Commander in Chief, United States Asiatic Fleet (Taylor)[78]

[SHANGHAI, January 29, 1932.]

8629. Senior officers present Shanghai: Navy, Rear Admiral Shiozawa, Japanese; military, Brigadier G. Fleming, British. Rear Admiral directing Japanese operations both ashore and afloat but no authority over troops ashore except own nationals. French and International Settlements under separate municipal councils. All commanders of troops ashore elected Brigadier Fleming as coordinator to insure unity of action and transmit information but without authority to command. Military forces: American, 1,264; British, 2,086; French, 1,008; Italian, 160; Japanese, unknown, estimate at 3,000 Shanghai Volunteers Corps, 1,746. Naval forces: American, 1 destroyer; British, 1 cruiser, 4 gunboats; Italian, 1 cruiser, 1 gunboat; French, 2 gunboats; Japanese, 3 cruisers, 18 destroyers, 1 aircraft carrier, 1 gunboat.

The Assistant Military Attaché in China (Tenney) to the Adjutant General of the Army[79]

[Extract]

PEIPING, January 29, 1932.

No. 323. Par. 4. Japanese General Staff is now war mad and it is

[78] Copy of telegram transmitted to the Department by the Navy Department, January 29.

[79] Copy of telegram transmitted to the Department by the War Department, January 29.

believed it should be realized and would not hesitate at hostilities with United States if their course blocked.

TENNEY

793.94/4168

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

No. 470 TOKYO, January 29, 1932.
[Received February 13.]

SIR: I have the honor to transmit herewith a memorandum regarding the Manchurian situation. This memorandum was submitted to a conference, such as called for by Department regulations to be held periodically. At this conference were present the Counselor, Secretaries Salisbury and Turner, the Military Attaché and his Assistant, the Naval Attaché and his Assistant, the Commercial Attaché and his Assistant, Consul General Garrels, Consul Sturgeon, and Consul De Vault of Yokohama.

The accompanying memorandum was submitted to this group and was unanimously approved, both as to substance and form, so that this memorandum has the sanction of what is fair to call the entire staff.

As mentioned in my telegram No. 27, of January 29th, 11 a. m.,[80] it is designed to supersede my letter of similar import forwarded January 16th.[80]

Yours respectfully, W. CAMERON FORBES

[Enclosure]

MEMORANDUM

This whole Manchurian situation contains a great deal of food for thought and it seems appropriate to summarize some aspects of it:

(1) The situation had become intolerable and had to be rectified. It was medieval and chaotic in regard to (*a*) public order; (*b*) finance; and (*c*) the irresponsibility of the administrative officers of the government, among other things.

(2) The Japanese had succeeded in bringing about a really constructive development of Manchuria, evidenced by (*a*) the construc-

[80] Not printed.

tion of admirable railroads and successfully operated industries, aggregating a billion dollars in value; and (*b*) the maintenance of a degree of order which induced a large immigration of Chinese, running into many millions.

(3) It is beyond question that Japan looked upon the continuance of its Manchurian connection as an economic necessity for the empire.

(4) The Japanese were uneasy about the status of their treaties with the Chinese in respect to their rights in Manchuria. The only clauses of the so-called "Twenty-one Demands" upon which they are now insisting are three that bear on Manchuria, and they are troubled by the fact that the Chinese do not admit the validity of the treaty of 1915,[82] by which their lease of Manchurian properties is extended to ninety-nine years.

(5) The Chinese National Government was . . . unable to cope with the Manchurian situation.

(6) The bandits were becoming an increasing menace to the continued proper development of Manchuria, and were utterly out of the control exercised by the young Marshal Chang who held the reins of power in Manchuria. These bandits are roughly divisible into two classes: those that were habitual bandits and who had a certain code and hence were not so destructive, and the occasional bandits, usually soldiers, often regularly enrolled, who had not received their pay and proposed to levy what they wanted for themselves and generally took too much. The increase of bandit raids within the zone of the South Manchuria Railway from nine a year in 1906 to one a day in 1928 is sufficient proof, if proof were needed, of the need of some vigorous and drastic action.

(7) The only way to establish order and maintain it in Manchuria was by the exceptional exercise of force of some kind. Under existing circumstances it could not be done by the police or other usual agencies of peace as at that time organized there.

(8) If these premises are admitted, the question arises as to how this force was to be exerted. The obvious answer is that it should have been done by the Chinese, or at least by Chinese initiative, and by Chinese consent, if possible. The question then arises as to how this action should have been obtained.

(9) In approaching this problem, the Japanese made their serious strategic error. They should have invoked the agencies of peace, and called upon them to bring pressure to bear upon the Chinese: (*a*) either to suppress banditry, reach a solution of the questions at issue, and live up to the terms of their agreements, or (*b*) to get some other agency to accomplish these ends, such as an international police force;

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[82] Signed at Peiping, May 25, 1915; for text, see *Foreign Relations*, 1915, p. 172.

or (*c*) in the event of the matter being taken up by the League of Nations, to consent to a mandate to Japan to restore order in Manchuria within a definite period. Some such action would have directed international attention to conditions in Manchuria. The Japanese would have appeared in a more favorable light before the world, and would be in a position of having taken action only after due notice had been given.

(10) Japan has, however, elected to jump in, without a mandate, without the presentation of her list of grievances, and is trying to settle things by direct military action.

(11) The Japanese military authorities have not made any effort to conceal the fact that it was their deliberate and unalterable intention to break up the control, wherever exercised, of the young Marshal, Chang Hsueh-liang, who has been the governing force of Manchuria ever since the death of his father in 1928. With the advance of their armies, it is the Japanese claim that the local Chinese officials deserted their posts and fled, leaving Manchuria in most regions without government.

While the Japanese Army claim they have not interfered with civil functions and have left the local government to be organized locally, they have as a matter of fact definitely mixed in in regard to (*a*) operation of railroads; (*b*) operation of banks; (*c*) operation of public utilities; (*d*) construction, some of which was under contract; and (*e*) supplies and materials, including airplanes, gasoline and oil, building materials, trucks, among other things. In connection with all of these activities and businesses Japanese advisers have been installed without whose approval executive action could not be taken.

So-called "defence Committees" have been set up, the personnel of which are subject to the approval by the Japanese before being allowed to function. And the Japanese make no secret that Chinese known to be hostile to Japanese activities are not permitted to serve on these defense committees. Chinese governors have now been placed in power in the three provinces; these are holding office and organizing governments with Japanese advisers and, according to common press reports, substantiated by the Minister of Foreign Affairs, Mr. Yoshizawa, they are proposing some sort of federation to create an independent Manchurian Government. Minister Yoshizawa squares this movement with Japan's declarations guaranteeing the integrity of Chinese territory by stating that the territory will still be Chinese although the Government will be independent, as it was in the days of Chang Tso-lin.

(12) If Japan had served notice on the League of Nations that the situation had reached a point that could not be tolerated further, and that unless remedial action were taken before a certain time, she

would be obliged to do it on her own initiative, there can be little doubt that all that the League would have met in endeavoring to arrange remedial action by China would have been procrastination, promises without fulfilment, and probably without power of fulfilment, because there seems to be no agency in China strong enough to carry out its undertakings, particularly where they involve vigorous, constructive, and perhaps costly, executive action.

(13) The League of Nations has neither the armed force, the money, nor the political structure necessary to bring about the forcible restoration of order in a place like Manchuria. The League, therefore, could only have brought about a settlement of the problem in one of the ways indicated above, namely: inducing action by China—which events are proving China was in no position to take—; international co-operation, or a mandate to Japan with China's consent.

(14) With the present strong trend among nations for the avoidance of the use of force, it is improbable that Japan could have got sanction to send her armies into Manchuria, either of the League of Nations or of the signatories to the various treaties and pacts which bear upon the situation, but she would at least have been in a position before doing so of having exhausted the resources already made available by all the agencies of peace. This would have left her comparatively freehanded to have undertaken this work upon a scale calculated to accomplish it with the minimum of time, of suffering and of expenditure of treasure.

(15) By initiating a resort to force without first invoking the agencies of peace, Japan has put herself squarely in the wrong, and yet it seems clear that what Japan is doing is necessary and, as above indicated, it could only have been done by force. So that, to put it tersely, Japan is doing the right thing in the wrong way; that is, without adequate sanction.

(16) The objections possibly held by Japan's military officers to the preliminary action of serving notice on China and on the world that on a certain date she would take matters into her own hands, could be: that, given advance notice of a proposed movement, the Chinese might make preparations of defense that would make operations much more formidable and costly. On the other hand, had Japan prepared the mind of the world and satisfied the signatories to the Nine Power and Kellogg Pacts that she had exhausted the agencies of peace before resorting to force, it would, in large measure, have offset the disadvantage due to such preparation as China would have made, which, in her disorganized state, would have been necessarily inadequate.

(17) Having exhausted the agencies of peace, Japan could probably then have sent her armies and police into Manchuria without being hampered as she has been by the disapproval, repeatedly ex-

pressed by the American, British and French Governments and by the Council of the League of Nations. She has been further handicapped by feeling the necessity of keeping up the semblance or pretense of peaceful penetration while really performing acts of actual warfare.

(18) The task Japan has undertaken in Manchuria, in spite of the handicaps mentioned above, has been really herculean. With a force supposed to be only 15,000 she has successfully dispersed Chinese forces ten times that number in a region of vast spaces and with a resident population overwhelmingly Chinese and hence presumably hostile, in the winter time when the thermometer ran as low as thirty below zero; and, although constantly adding to the number of troops sent in, still the number is woefully inadequate to meet the situation thus created—of scattered armies preying upon a defenseless populace.

(19) General Wood, while serving in the Philippines, made the significant remark that it always paid at the beginning of a period of disorder to send in three times the number of men you thought you were going to want, or enough to "smother the situation". If the Japanese had felt free to adopt this policy, and sent in enough men at the start to have forced the capitulation and disarmament, and the sequestration, of all these armies, instead of merely scattering them to become almost of necessity bandits, they might have cleaned up the situation as they went along instead of creating a condition that is going to take years of expenditure of blood and treasure to rectify.

(20) The weight of evidence leads inevitably to the conclusion, however, that the whole Manchurian episode has been brought about by a rather high-handed series of actions taken by the Army without prior consideration by the high civil authorities of the Imperial Government, the Prime Minister and his Cabinet and without due regard to its effect on foreign relations as directed by the Minister for Foreign Affairs, or upon the finance of the Government as directed by the Minister of Finance.

(21) The Japanese Army officials seem to have brought about a condition which is going to take a very long time to remedy, due to their unwise methods. They have intensified a feeling of hatred against Japan in the minds of thinking Chinese citizens wherever situated, a feeling which is going to prejudice the good relations between Japan and China for a long time to come. Instead of arranging by negotiations for the disarmament and employment of the Chinese armies, the Japanese have broken up the Chinese headquarters, sequestered Chinese Government funds, and left the Chinese soldiers no alternative except to prey upon the people. And then, having

forced these soldiers to become bandits, the Japanese Army is now, to use its own expression, engaged in "annihilating" them, i. e., killing them by means of aerial bombs, guns from the air, and shooting them up wherever met. The Japanese records give no roster of the dead Chinese and only report the number of Japanese killed; but it is probable that the proportion is something like twenty Chinese to every Japanese killed, more or less.

(22) The Japanese Army has made the mistake of failing to pay attention to the Open Door Policy. While foreign firms are nominally invited to operate in Manchuria, practically, things are made difficult for them. Instances have come to light of obstacles put in the way of concerns whose business competes with that of Japanese and Japanese-owned ventures. It is only fair, however, to state that many Japanese concerns are complaining of their treatment by their own Army.

(23) It is claimed that this condition of partially-closed door is incident merely to the Military Regime and will be wholly changed once public order is restored and civil administration established. Of that we wait to be convinced.

(24) Japanese officials have abstained from indicating the exact boundaries of what they consider Manchuria; and it is evident that they are keeping this indeterminate with the idea of extending these boundaries as fast as it suits their convenience and interests to do so. They will undoubtedly want to build railroads, establish industries, and encourage immigration of Chinese, and then will, in all probability, extend the boundaries of what they regard as Manchuria into Mongolia and perhaps into other parts of China, whenever it serves their purposes to do so. There are no definite official maps that really set forth any authentic boundaries between Manchuria and the neighboring province on the west. Mongolia is similarly indeterminate as to the boundary. In recent years new administrative areas referred to as Jehol and Chahar have taken over parts of what previously was referred to as "Mongolia".

(25) Their military activities have made the Japanese position in Manchuria much more difficult, and it is important for them to reach some sort of an agreement with China, or perhaps the Chinese residents in Manchuria, otherwise their position both as to cost and as to the administrative problems may become unbearable.

(26) The crux of the whole matter seems to be that: If England, France and the United States do not want to see Japanese control penetrate further into China some diplomatic negotiation should be undertaken to see if China will agree to the organization of an international police to restore order, disarm the predatory armies which

now ravage the whole of China, and which would be strong enough to keep in power the more competent authorities so that the country would cease being subjected to internal revolution. Such international action might assist China to enjoy adequate police protection. A precedent for this can be found in the Chinese Customs Service which has maintained an international personnel of officers. A properly organized and adequately manned international police force would prevent the forcible seizure or misuse of Government funds and insure the construction and protection of useful public works. With settled conditions and assured measures of transport, work would be provided for men who otherwise would be in the Chinese armies. Famine areas would be quickly relieved. The creation and maintenance of this force should not present practical difficulties for men trained in constabulary work. Incidentally, an orderly China would be a tremendous field for foreign salesmanship—bringing back to the world, perhaps, good times.

793.94/3711 : Telegram

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

SHANGHAI, January 30, 1932—10 a. m.
[Received January 30—1 a. m.]

Following to the Legation:

Your January 29, 3 p. m.,[83] last paragraph. Suggestion made by Japanese staff officer to Secretary General of Council reported in my telegram of January 28, 2 p. m. is not favorably considered by Council. I shall, however, carry out Legation's instructions.

CUNNINGHAM

793.94/3723 : Telegram

The Ambassador in Italy (Garrett) to the Secretary of State

ROME, January 30, 1932—1 p.m.
[Received January 30—9:30 a.m.]

19. Foreign Office informs me that it is understood that British Government last night made representations in regard to Shanghai

[83] See telegram No. 148, January 29, 5 p.m., to the Department from the Minister in China, p. 97.

through Japanese Ambassador in London and that the Italian Government is disposed to follow the British lead.

GARRETT

793.94/3724 : Telegram

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

SHANGHAI, January 30, 1932—4 p.m.
[Received January 30—8:40 a.m.]

[1.] The Chairman of the Municipal Council has filed with the Senior Consul a protest against the operations of the Japanese military forces ashore in substance as follows:

(1) General protest against violation of neutrality of the Settlement.

(2) The use of the Settlement as a base of operations by the Japanese forces against the Chinese forces.

(3) The interference and sending of Japanese troops into the sector set apart for the other nations in the defense scheme which was agreed to by the Japanese. This protest with special reference to the sector occupied by the American forces which, according to a report to informant, is patrolled by Japanese patrols over the protest of the American commanding officer. Also with particular reference to the area of the International Settlement bounded by Honan Road, Range Road and Hongkew Creek, where Japanese in plain clothes are interfering with the duties of the municipal police.

2. The complaint of the Chairman against Japanese is well founded. Similar complaints have been made several times by the Chinese members of the Municipal Council. Protests have been received from individual Americans as well as from the commander of the American marines ashore who claims that although the International Settlement is divided into sectors the Japanese completely disregard the division so far as the American sector is concerned and are constantly encroaching upon his division.

3. Now there [*Council?*] faces very difficult question to handle. It is full of bristling difficulties that require tact, early settlement, discretion and therefore instructions for my guidance before 8 o'clock tomorrow morning will be greatly appreciated.

Repeated to the Legation.

CUNNINGHAM

793.94/3728 : Telegram

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

PEIPING, January 30, 1932—5 p.m.
[Received January 30—8:50 a.m.]

157. Following from American Consul General at Nanking:

"January 29, 7 p.m. My January 27, 10 p.m.[84]

1. The Japanese Consul called this morning and [gave?] repeated assurances that Japanese vessels would not take initiative in fire action. He stated the Chinese authorities in Nanking are likewise determined to avoid hostilities here. He has withdrawn himself, staff and remaining nationals onto Japanese commercial vessel in the harbor and has publicly announced that this action has been taken to avoid possibility of an incident in Nanking. The city is quiet. News of the hostilities in Shanghai first reached this office through Chinese sources at [*on*] January 29, 1 a.m.

2. The Government has appointed T. V. Soong Minister of Finance and Vice President of the Executive Yuan and he has just arrived in Nanking to assume his posts. I have been informed that the Government has created a military council which will include practically all prominent leaders throughout the country. With appointment of Wang and Lo the Government is thus definitely increasing in vigor and stability.

3. Several American citizens were invited to a conference today and were informed regarding the situation. They agreed that the situation does not call for evacuation at present. Moreover, this would probably be impossible since there is no rail communication with Shanghai. They expressed the general intentions to follow consular advice regarding evacuation."]

JOHNSON

793.94/3729 : Telegram

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

PEIPING, January 30, 1932—6 p.m.
[Received January 30—10:03 a.m.]

158. Following telegram has been sent to Shanghai:

"January 30, 5 p. m.

1. Your January 29, 4 p. m. Japanese state that their action in occupying Chapei was a 'measure for the protection of their nationals and a part of the general definite [*defense?*] scheme of the Settlement; that it was not connected with the demands.'

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[84] See telegram No. 17, January 27, 11 p.m., to the Department from the Consul General at Nanking, p. 80.

Tokyo's January 29, 3 [5?] p.m. to the Department: Japanese Navy Department states that the landing of Japanese forces 'was with an understanding with the Shanghai municipal authorities to protect Japanese residents outside Settlement zone.'

2. If you consider the above statement an accurate one and if you consider the Japanese action, even although ill-advised, to have been motivated as above described it does not seem to me that the complaint of the Chinese members of the Council that the Japanese were using the Settlement as a base of operations would be well founded. (Your January 29, 6 p. m., paragraph 1.) If, however, you consider the Japanese contention incorrect as to fact and that their primary purpose was to overawe the Chinese in the Shanghai area in order to carry out their private objectives in China, it would then seem to me that the Chinese had a just complaint that the Settlement was being used as a base against them. It should seem obvious to the Japanese that if their troops traverse the Settlement with the object above stated they are not respecting Settlement neutrality. (Your January 29, 7 p. m., paragraph 6 of Japanese statement.)

3. Please submit your views by confidential code in regard to foregoing and as to the likelihood of this issue becoming an urgent one."

JOHNSON

793.94/3696 : Telegram

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

WASHINGTON, January 30, 1932—2 p.m.

36. Your 148, January 29, 5 p.m., last paragraph. The Department feels that, for the present at least, authorities of the International Settlement and the defense forces at Shanghai should confine their activities strictly to the maintenance of peace and order in the Settlement and other areas in which they have hitherto thus functioned.

STIMSON

793.94/3724 : Telegram

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

WASHINGTON, January 30, 1932—2 p.m.

Your January 30, 4 p. m.

1. I desire that you as American Consul General urge that questions relating to disposition of foreign forces under defense scheme be referred to senior officer of the defense forces. I desire further that you as American Consul General inform the Commanding Officer of

American forces that the American Government desires that every reasonable means possible be taken to avoid a clash between American and Japanese forces. I urge that the utmost forbearance be observed and that every effort be made to remove by conciliation any friction that may develop between the American and other defense forces.

2. I desire that you as Senior Consul present to the consular body the protest filed by the Chairman of the Municipal Council. With regard to the general protest against the violation of the neutrality of the Settlement and the protest against the use of the Settlement as a base of operations by the Japanese forces against the Chinese forces, I suggest that consular body discuss these questions and report their views to the various Ministers concerned for reference to their respective Governments.[85]

3. Minister Johnson is leaving Peiping for Nanking on January 31. Keep him fully informed.

STIMSON

793.94/3902
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The Commander of the Fourth Regiment, United States Marines (Hooker), to the Commander in Chief, United States Asiatic Fleet (Taylor)[86]

[SHANGHAI, January 30, 1932—3:55 p.m.]

Defense Committee met 1000 [*10 a.m.*] No Japanese present. Brigadier Fleming stated object of meeting discussion of Japanese disregard of neutrality of International Settlement. Facts: Two armed Japanese patrols yesterday passed through British sector and demolished railroad bridge west of Jessfield Park, 500 Japanese in barracks in U. S. Marine sector constantly patrolling sector in spite of one written and two oral protests and assurances by Japanese of stopping it, unauthorized occupation and refusal to vacate gate and clock house in Shanghai volunteer sector between two units of volunteers, arming civilian Japanese reservists not in uniform to police districts east of Szechuan Road between Settlement boundaries and Whangpoo River. Chinese and volunteers clashed last night, several volunteers wounded when Japanese fell back towards volunteer sector in regaining own line, in darkness Chinese fired into and received return fire from volunteer. Chinese notified volunteer commander that if Japanese con-

[85] In telegram of January 31, 7 p.m., the Consul General replied: "The Department's suggestion will be considered by the Committee." (793.94/3770)

[86] Copy of telegram transmitted to the Department by the Navy Department, January 30.

tinued to use Settlement to issue from and retreat into and volunteers supported them by fire Chinese would disregard neutrality and consider that other nations were supporting Japanese. Decision of meeting: Municipal Council to visit consular and diplomatic representatives with request that they visit Japanese Admiral and strongly protest against armed Japanese patrolling and using International Settlement as stated above and that military commanders immediately give their consular and diplomatic representatives detailed information; this was done by the British, French, Italian, and U. S. military present at meeting. Opinions of military commanders of nations mentioned consider present forces sufficient unless Japanese continue violating their promises and the neutrality of the Settlement.

793.94/3758c : Telegram

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

WASHINGTON, January 30, 1932—5 p.m.

For guidance of Minister and Consul General. Reference Department's 31, January 28, 5 p. m., to Legation and Legation's previous.

As events at Shanghai are moving so rapidly, the Department is not in position to give specific instructions covering possible progressive incidents as they may arise and desires that the Minister and the Consul General at Shanghai be guided by existing instructions, paying particular attention to the Department's telegram No. 47 of February 5, 1930,[87] circularized to consular officers in China in the Legation's circular No. 7, February 14, 1930. The Department offers for the consideration and guidance of the Minister and the Consul General further comment as follows: (*a*) The Department feels that the International Settlement should be regarded as far as possible in the present crisis as an international area not involved in the dispute between China and Japan; (*b*) The Department feels that the Settlement authorities and defense forces should confine their activities strictly to the maintenance of peace and order in the Settlement and other areas in which they have hitherto thus functioned; (*c*) The Department does not desire that the Minister or the Consul General take any action which would deny to the Japanese any right which the American Government might at some time be warranted in undertaking to exercise on behalf of American nationals; (*d*) The Department desires that the Minister and the Consul General in their conversations and discussions with their colleagues and with Chinese and Japanese offi-

[87] *Foreign Relations*, 1930, vol. II, p. 85.

cials should attempt to make it clear that our position in the present crisis is impartial, our endeavor being on the one hand to protect the legitimate rights and interests of American nationals and on the other hand to assist toward a settlement by and between the disputants of their differences as soon as possible.

Repeat to Peiping and to Nanking for the Minister, referring to Department's telegram to Legation No. 31, January 28, 5 p. m., paragraph 2, second sentence.

STIMSON

793.94/3655 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 30, 1932—5 p.m.

32. Your 35, January 26, 4 p.m., paragraphs numbered 1 (*c*) and 4 and 5 and your 49, January 28, 7 p.m.,[88] section 1, concluding paragraphs.

Supplementing instructions in Department's 29, January 27, 6 p.m. For your guidance, in connection with inquiries as to the attitude of the American Government on the subject of possible invoking of the Nine Power Treaty, you should not initiate any discussion of that question, but in case you should be called upon to answer a responsible inquiry, you may reply in confidence that your Government would without doubt view with satisfaction a declaration by the Council, or by Governments of any of the States represented thereon which are also parties to the Nine Power Treaty, in definite support of the position taken in the American Government's identic notes of January 7.

STIMSON

793.94/3757 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 30, 1932—6 p.m.
[Received January 30—5:36 p.m.[89]]

20. The following telegram has been sent to the Legation:

"January 30, 5 p. m. My January 29th, 7 p. m.[90]

1. From a Chinese military source, alleged entirely reliable, this

[88] Latter not printed.
[89] Telegram in two sections.
[90] See telegram No. 157, January 30, 5 p.m., from the Minister in China, p. 117.

office has received the following confidential information: The military airplanes lately sent away from Nanking have now been assembled at an airfield about 30 miles from Nanking and are prepared for immediate use. The 19th Route Army which has been fighting the Japanese at Shanghai is demanding that planes be sent to their assistance and they were withheld on January 29 only because departure of planes from Nanking might give Japanese pretext for attacking Nanking, endangering the Government. Moreover, the Chinese wish to restrict fighting to Shanghai area.

2. It is persistently reported that the 19th Army at Shanghai openly stated that it will continue fighting the Japanese despite any orders to desist. Chiang Kai-shek in a personal capacity has issued a circular telegram to all officers and soldiers bitterly criticising the Japanese for committing atrocities at Shanghai after the Chinese had accepted humiliating demands. Telegram states that no more can be endured and that the nation and the race face annihilation. Chiang praises the 19th Army for loyalty and valor and urges officers and soldiers of the revolutionary army to arm themselves and await [opportunity?] to preserve the party and nation.

Repeated to the Department."

3. Since coding above I have called on T. V. Soong at his request. Replying to questions he informed me that Chiang's circular telegram was despatched with the full concurrence of Wang Ching-wei and all prominent leaders throughout the country with possible exception of Canton group. Soong declared unequivocally that China henceforth would resist further Japanese encroachment with every ounce of military strength. Under pledge of secrecy until publicly announced he informed me that practically the entire Government will very shortly remove to a spot less accessible to Japanese attack than Nanking. However, Nanking if attacked will be defended to the last. He authorized me to inform British Chargé d'Affaires under similar pledge. I referred to efforts of the League and inquired whether new policy of resistance to Japan would disincline China to accept offered mediation and he replied that China would still welcome it. He said he deeply realized the cost to China in money and suffering of past and future resistance to Japan but nevertheless the discipline would awaken the people. It was already remarkable how insistently the commercial classes in Shanghai, potentially the greatest sufferers, demanded that the Government resist Japan to the last extremity. He said the knowledge that China had abandoned the policy of subserviency to Japan for one of vigorous self-defense, even though hopeless, had made the leaders and Army almost jubilant.

Repeated to the Legation.

PECK

793.94/3724 : Telegram

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

WASHINGTON, January 30, 1932—6 p.m.

Your January 30, 4 p. m. and the Department's January 30, 2 p. m. The Department understands that the American sector in the defense plan of Shanghai, to which the Council refers as having been encroached upon, consists of that irregular rectangular area of the western district of the International Settlement approximately bounded as follows: north and east by the Soochow Creek, south by Sinza Road and west by the western boundary of the International Settlement. According to the Municipal Council's plan of Shanghai, dated 1928, there are a number of Japanese factories in that area. If the above understanding and the plan referred to are correct and if the alleged encroachment results from the despatch of military units by the Japanese authorities to protect the Japanese factories in the sector referred to, the Department suggests that there might be some rearrangement of the defense plan of Shanghai whereby the Japanese would be assigned that part of the American sector in which Japanese interests predominate.

The above is offered merely as a suggestion for such consideration as may be found practicable.

STIMSON

793.94 Commission/42 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, January 30, 1932—6 p.m.

33. Your 52 and 53, January 29, 1 p.m. and 3 p.m. For your guidance and to be explained orally,—

As has several times been clearly pointed out, while the American Government is in complete sympathy with the League in its efforts to keep the peace in the Far East and is glad to cooperate wherever possible, it nevertheless cannot associate itself with the machinery of the League of which it is not a member.

For this reason, although this Government welcomes the idea of a Commission to report on the facts and causes of recent incidents in Shanghai, as this Commission will be acting under the provisions of Article 15 of the League Covenant the American Government cannot see its way to appoint its Minister or Consul General as a member of the Commission.

The United States, however, has a direct concern in the Shanghai

situation due to its desire to preserve international peace, to protect its interests in the International Settlement and the life and property of its nationals, and to safeguard its treaty rights, including those under the Nine Power Treaty and the Kellogg-Briand Treaty. In view of the general similarity of the aims and interests in this situation of the United States and of the states members of the Council, the American Government, if desired by the Council, will instruct its Minister or Consul General to cooperate with the members of such a commission organized as indicated in studying and reporting upon the facts and causes of the incidents at Shanghai.

Please make this statement at once to Drummond.

STIMSON

793.94/3867

The Chief of Naval Operations (Pratt) to the Commander in Chief, United States Asiatic Fleet (Taylor) [91]

[WASHINGTON, January 30, 1932—6 p.m.]

Commanders of United States Forces should observe utmost forbearance and make effort by conciliation to remove any friction that may develop between American and other defense units.

State Department is instruction [*instructing*] Consul General [at] Shanghai in similar manner. United States Government desires that every reasonable means possible be taken to avoid clash between American and Japanese forces. Questions regarding disposition of foreign forces under defense plan at Shanghai should be referred to senior officer of Defense Forces.

793.94/3725½

Memorandum of Trans-Atlantic Telephone Conversation [92]

SECRETARY: Hello, Mr. MacDonald. I am calling you informally on a very important matter. I am as much disturbed over the situation at Shanghai as you are. We seem to be in pretty good accord as to what we feel about it, your country and mine, but things seem to be going from bad to worse.

MR. MACDONALD: Yes, they are.

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[91] Copy of paraphrase of telegram transmitted to the Department by the Navy Department.

[92] Between Mr. Stimson in Washington and Mr. MacDonald in London, January 30, 1932, 6:10 p.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

SECRETARY: The President today made a sensational suggestion that I want to put up to you. It is very unconventional but the time requires something striking. He wants you to consider whether the heads of our two countries could not appeal directly to the heads of the two Governments of Japan and China, mainly aimed at Japan to ask for a cessation of hostilities and of all hostile actions in order that negotiations could be at once established between them for the settlement of their outstanding controversies but with the attendance of neutral observers.

MR. MACDONALD: What is that?

SECRETARY: With the attendance of outside representatives as observers and assistants. In other words we have in mind the precedent that was used in 1922 when Mr. Balfour and Mr. Hughes acted as such observers in the Shantung matter.[93]

MR. MACDONALD: Yes.

SECRETARY: China cannot negotiate alone as against Japan.

MR. MACDONALD: Yes.

SECRETARY: Now the President suggests a direct appeal to the Emperor by himself, and if the King would do that on your side, I suppose that in the case of both countries making such a direct appeal it would have to be the Chief of State.

MR. MACDONALD: I should imagine that.

SECRETARY: No one else can appeal to the Emperor.

MR. MACDONALD: Yes.

SECRETARY: The President has gone so far as to draft hurriedly a direct appeal which I have before me, but it is rather too long to read and it is only a rough suggestion. Now, if you think it would be worth while considering I can telegraph it to you tonight.

MR. MACDONALD: It is a very sudden proposal, you take me unprepared.

SECRETARY: Yes, I know. My apology——

MR. MACDONALD: No apology.

SECRETARY: Events are moving so fast that I am afraid there will be a declaration of war by China in which case she would throw herself completely into the hands of Japan.

MR. MACDONALD: Completely, yes.

SECRETARY: You see?

MR. MACDONALD: Yes.

SECRETARY: I am rather afraid of that; that is why I called you up. I tried to get Atherton so that he could go around and see you but he was away so I cut the formality and called you direct.

[93] See *Foreign Relations*, 1922, vol. I, pp. 934 ff. Arthur J. Balfour and Charles E. Hughes were British and American representatives, respectively, at the Washington Conference, 1921–22.

MR. MACDONALD: I appreciate it very much.

SECRETARY: I hope you and the Foreign Minister will excuse my liberty.

MR. MACDONALD: That is all right. I have been away since Wednesday[94] and have just come in within the last hour. I would like to consider this. What about replying to you tomorrow morning.

SECRETARY: Of course you must take your own time.

MR. MACDONALD: Yes.

SECRETARY: Would it help you as a suggestion to have me telegraph the rough draft which the President wrote out for the case of Japan?

MR. MACDONALD: Yes, I would like very much to have it.

SECRETARY: Of course, in the case of China it would be very different and much more brief. This is in the nature of an appeal based upon the terrible condition in which China is being placed and the effect it will have on all the world.

MR. MACDONALD: Yes, I quite appreciate that. Now, I will be very glad if you will telegraph it to me tonight.

SECRETARY: Yes. In case for any reason the King would not do it, why of course your country can take whatever form she likes, but I should hardly advise the President to do it unless you could join, unless you did the same thing independently. I think for one of us to do it it would lose three-fourths of the force, but if we both did it——

MR. MACDONALD: I quite agree.

SECRETARY: We have been acting so closely together I think it would have a good deal of force. We would endeavor to put the appeal in such shape that it would be difficult for them to refuse.

MR. MACDONALD: Good.

SECRETARY: And I want you to be perfectly frank in your reaction in stating it to me.

MR. MACDONALD: I certainly will.

SECRETARY: Because it is a very extraordinary proposition.

MR. MACDONALD: It is an extraordinary proposal.

SECRETARY: It is a very extraordinary time.

MR. MACDONALD: Your idea would be that the messages should go separately but at the same time?

SECRETARY: Separately but at the same time. We should then want to go carefully into such arrangements as to privacy. We should have to decide upon later how soon it would be made public.

MR. MACDONALD: Now there is another question. Is it your idea that only we two should do it or should other States?

SECRETARY: If there is any one else that we could count upon to do

[94] January 27.

it and at once we are not at all exclusive. We should be glad to have them, but in the case of one of our friends I am afraid of delays.

MR. MACDONALD: I know. If this thing is to be settled there should be no delay.

SECRETARY: There should be no delays at all.

MR. MACDONALD: Very well, if you send that statement over, I shall have it considered immediately.

SECRETARY: All right, I shall have it sent tonight.[95]

MR. MACDONALD: I can——

SECRETARY: What?

MR. MACDONALD: I think I can give you an answer before the middle of the day tomorrow.

SECRETARY: Can you send it by cable or would you prefer to talk to me? Whatever you like, but let me know beforehand.

MR. MACDONALD: We should telephone or cable.

SECRETARY: Unless you send your first message early, it would be quicker to cable.

MR. MACDONALD: It would be quicker to cable. Yes, it would be better than to telephone.

SECRETARY: And you will send it through Lindsay, I suppose. I am a little embarrassed by not being able to get Atherton, but we may be able to get him later.

MR. MACDONALD: Is Atherton away?

SECRETARY: I tried to get him this afternoon, but have been unable to locate him. I doubt if he is far away.

MR. MACDONALD: We will do it in the most expeditious way.

SECRETARY: I shall send it to you at once. Good-bye.

MR. MACDONALD: Hold on. If we decided to do it, we could communicate at once with the other States in a very secret way and find out what their view is, but in the meantime go ahead.

SECRETARY: I should think so.

MR. MACDONALD: Then go ahead.

SECRETARY: I should think so. If there is any delay during the communication it would be sure to leak out.

MR. MACDONALD: Certainly. What we could do would be, you and we send it simultaneously and inform the others and then let them act at once or let them come in later on.

SECRETARY: Yes, I see. I think that is the best way.

MR. MACDONALD: I wish to think about it. It was a surprise.

SECRETARY: Don't hesitate to call me by telephone if it is more convenient to do that.

MR. MACDONALD: I shall do that.

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[95] *Infra.*

SECRETARY: All right, sir. I sent you a letter in reply to your own by the pouch on the *Majestic*.[96] You will get it in a few days.

MR. MACDONALD: That will be all right. We have been worried about everything. There is just one thing on this Japanese situation we have received since I arrived here tonight, a message we have just heard as a matter of fact from our Chief Officer of the Navy in Shanghai of the Japanese using the International Settlement for offense and defense and we have asked our man in Tokyo to make a very strong representation against that.

SECRETARY: Well, I will be glad to join in that as soon as I get similar notice. I have already joined in your second appeal which you sent yesterday.

MR. MACDONALD: Yes.

SECRETARY: Mine went yesterday and it followed exactly the same lines as yours.

MR. MACDONALD: Was it the first?

SECRETARY: I am talking about the second.

MR. MACDONALD: I have just sent a third. I am just telling you that tonight that has come.

SECRETARY: I have heard rumors of that through the press. They have not been confirmed.

MR. MACDONALD: We have that confirmed from our Chief Naval Officer.

SECRETARY: Just as quickly as I can get a basis for it I shall do the same thing.

MR. MACDONALD: Very well, I am so glad to hear your voice.

SECRETARY: Good-bye.

MR. MACDONALD: Good night.

793.94/3758e : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, January 30, 1932—8 p.m.

43. Please give the following to the Prime Minister as early as possible Sunday morning[97] at 10, Downing Street. I have discussed it with him over the telephone this evening. Explain to the Prime Minister that this is merely a rough draft expressing the general idea:

"Your Majesty: The present posture of affairs in China leads me to make a direct appeal to your majesty in what I believe is the sentiment of the people of the United States whom I represent. I have no desire to enter upon the origins of the course of events during the past

[96] Letters apparently not in Department files.
[97] January 31.

4 months. The assurances given by the Japanese Government as to its ultimate aims and that its action is confined solely to the protection of its citizens and their property, have been accepted throughout the world. We are, nevertheless, on the verge of a great war which I am sure does not represent the peace-loving sentiment of the Japanese people any more than it does the sentiment of the whole world.

The government of China, slowly gaining strength after the weakening of long revolution, has been even more sensibly weakened by events of the past 4 months, and chaos is rapidly overcoming that 350,000,000 of humanity with its train of infinite misery and death.

I conceive it to be the object of the Japanese government as well as the wish and endeavor of all other governments, to see the rehabilitation and strengthening of China and the reopening to that nation of the paths of peace and prosperity. No nation in the world can view without anxiety the consequences to all the world and without dismay the prospect of further degeneration of order and further suffering of the Chinese people. The situation is one which must appeal to the sanity and hearts of all the peoples of the world.

With view to contributing to the remedy of this situation I am led to propose to your Majesty and to the Chinese Government that there should be an immediate cessation of all hostilities and all hostile action and that negotiations should at once be established between the Chinese and Japanese governments for the settlement of their outstanding controversies, that such negotiations should be entered into without reservation on either side and conducted in the spirit of the pact of Paris to which we are all signatory, and that in order to assure both sides that these negotiations shall be conducted in the spirit of that pact may I suggest that some minority of representatives of the other governments of the world should participate in such negotiations. The purpose of these negotiations to be not alone the solution of the outstanding controversy but as a part of such solution the strengthening of the Chinese government and the saving of its people from the abyss with which they are faced."

STIMSON

793.94/3761 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, January 30, 1932—6 p.m.
[Received 8:53 p.m.]

59. 1. Drummond this afternoon handed me the following *aide-mémoire* dated January 30:

"The British, French, German, Italian, Norwegian and Spanish Governments are instructing their official representatives who were present at Shanghai during the recent events there and in the neighborhood to form a committee to send to the Secretary General a report for consideration by the Council on those events, their causes and development. The formation of such a committee would allow infor-

mation with regard to the incidents to be obtained on the spot and without delay.

This committee is a new emergency committee distinct from the original commission. It would not be expected to travel nor its creation in any way affect the mandate of the original commission. In view of the gravity of the situation and the cooperation already extended by the United States in this matter I have the honor to ask if your Government would be prepared to give similar instructions to their representative so that he may cooperate on the above with the representatives of the powers indicated above.

This request is put forward with the full agreement of the other cooperating states."

2. At the same time he handed me the foregoing he requested that you be good enough to permit him to "withdraw" his communication of January 29 which I transmitted in my No. 52, January 29, 1 a.m. [*p.m.*]

3. As I indicated in my No. 53, January 29, 3 p.m., various elements in the situation here were very much confused at the time Drummond's communication of January 29 was given me. This is in my opinion reflected in the communication itself which I believed was prepared in too great haste but in the hope that could an early intimation be obtained from the United States of its willingness to causing the contemplated investigations at Shanghai that project would thereby receive support and encouragement.

4. As will be noted from the Consulate's 57, January 30, 3 p.m.,[98] in the session of the Council held this morning the discussion chiefly turned on an interpretation of the technical situation created by Chinese appeal under article 15 particularly in its relationship to China's appeal already taken under article 11 of the Covenant. It will be observed that Japan offered many juridical objections to action which the Council desired to take. It appeared, however, that these objections were not regarded as valid by the other members of the Council.

5. If I may venture to discuss what I consider the crux of the situation at issue insofar as the United States is concerned, I would say that it rested on a certain basic difference between article 11 and article 15 in that article 11 envisages the consent of both parties to the dispute in any action taken thereunder while article 15 contemplates action by the Council to which the consent of disputants is not essential. The relationship of the foregoing to the authority under which the Manchurian Commission is acting and under which the proposed Shanghai Committee will act and to the constitution, powers and functions of these respective bodies is, I think, evident. As the discussion in the

[98] Not printed; it reported the League Council's public, then private, meeting of 10 a.m. that morning. For the minutes, see League of Nations, *Official Journal*, March 1932, pp. 343–350.

Council had today seemed to reach a point where the opinion of the Council in these matters had become clarified, I, this afternoon, asked Drummond certain categorical questions. In his replies he stated that he was expressing not only his own position but that of all the members of the Council except perhaps Japan. The information which I derived from Drummond is as follows:

(*a*) Articles 11 and 15 may be operative concurrently without prejudice to either.

(*b*) From the foregoing it follows that action may be separately under each article in relation to the same dispute, action taken under one article being without prejudice to action taken under the other.

(*c*) The activity of the Manchurian Commission of Inquiry is and will continue to be under article 11 and will have no reference to article 15.

(*d*) The Shanghai Committee will act under article 15 and will have no reference to article 11.

(*e*) The difference in function between the Manchurian Commission and the Shanghai Committee is that the former may concern itself within its competence with the more fundamental aspects of the question while the latter is purely fact-finding.

5. I would appreciate instructions as to the reply to be made to Drummond's *aide-mémoire* quoted under paragraph 1 above.[99]

GILBERT

793.94/3762 : Telegram

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

SHANGHAI, January 30, 1932—6 p.m.
[Received 11:38 p.m.]

My telegram of January 29, 6 p. m. The Chinese members of the Shanghai Municipal Council have addressed an identic protest to the Senior Consul and the Chairman of the Municipal Council. The Government [*protest?*] calls attention to the fact that in accordance with the state of emergency the Council should call upon Japanese to occupy a certain sector to preserve "peace and order in Hongkew district. It is most regrettable that the Japanese in pursuing their hostile ruin [*course?*] have made use of the district, the safety and good order of

[99] In telegram No. 34, February 1, 1 p.m., the Secretary of State instructed the Consul at Geneva as follows:

"Your instructions in 33, January 30, 6 p.m. cover the answer to be made to Drummond's *aide-mémoire.*

Before issuing instructions to American representative in China I wish names and official positions of representatives designated by powers. Please telegraph these at earliest possible moment." (793.94 Commission/56)

which they are under obligation to safeguard as the base of their operations. Such action of the Japanese constitutes a grave violation of the neutral character of the Settlement and should therefore be immediately checked." They request that all effective measures to put an end to such undesirable state of affairs be taken and that the attention of the Japanese authorities be directed to their responsibility for having violated the neutrality of the Settlement.

2. The greatest contribution which could be made toward the return to normalcy is the prevention of the Japanese from using the Settlement as a base for operations and preventing them from acting independently in the sectors for the protection of other nationals.

3. I desire to express the opinion that official pronouncements in Washington in regard to the preserving of International Settlement in its international boundaries and also that it should not be invaded or used as a base is exceedingly helpful. Reuter carries a statement dated Washington the 28th which is believed by officials as of such character as to cause those intending to invade the Settlement without authority to fully consider the matter before taking any action. Frequent statements of this nature, it is believed, will be helpful.

Repeated to the Legation.

CUNNINGHAM

793.94/3768 : Telegram

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

SHANGHAI, January 30, 1932—7 p.m.
[Received 8:44 p.m.]

Firing continued intermittently all day yesterday and last night. Using airships the Japanese yesterday bombed the Chinese [*Commercial?*] Press Building on Paoshan Road, the North Railway Station and other places in the vicinity. A bomb was dropped in the French Concession near the former Walled City. About midnight 29th a crowd of Japanese vigilantes wearing armbands, together with armed Japanese marines entered the American Law School, which is the law school of Soochow University, an American missionary institution. This school is on Quinsan Road in the International Settlement. They were ostensibly searching for arms. Some damage was done to furniture and fixtures. This school and Soochow University Middle School were then sealed by Japanese military. Other similar instances are reported, some causing considerable damage.

2. Contrary to current reports of additional large reinforcements

for both sides, told this morning by Mayor that 1,500 gendarmes only had arrived and that no more were coming at present. Japanese Admiral told me this morning that no additional Japanese reinforcements were under consideration.

Repeated to the Legation.

CUNNINGHAM

793.94/3709 : Telegram

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

SHANGHAI, January 30, 1932—8 p.m.
[Received January 30—6:49 a.m.]

Referring to my telegram of January 27, I have now decided that the exigencies justify my requesting that the landing forces from American vessels be increased at the earliest moment possible.

Repeated to the Legation.

CUNNINGHAM

793.94/3758 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, January 30, 1932—11 p.m.
[Received 11:15 p.m.]

34. Foreign Office gave out following communiqué late this evening:

"His Majesty's Ambassador at Tokyo informed Japanese Foreign Minister today he had received instructions to call attention to the fact that the lives and interests of British subjects were exposed by the recent Japanese action at Shanghai and to protest against the use of the International Settlement as a base for attack. He also requested the Japanese Government should use every endeavor to restore normal conditions at the earliest possible moment.

The Japanese Minister for Foreign Affairs gave assurance that he fully appreciated the anxiety of the British Government and that everything possible would be done not to endanger British lives and property and that the International Settlement would not be used as a base of attack.

His Majesty's Government has informed the American Government of the instructions sent to Ambassador Lindley and invited them to make the same representations to the Japanese Government.

It is understood from press dispatches that the American Government has taken similar action."

In conversation Foreign Office has stated no official credence was given to rumors of declaration of war by China. Foreign Office fur-

ther stated the British Legation at Nanking reported the Nanking Government had let it be known it would resist any further action by Japan and that from this had undoubtedly arisen rumors of war.

ATHERTON

793.94/3765 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 30, 1932—12 p.m.
[Received January 31—2:44 a.m.]

21. Following is a translation of a note addressed to the American Minister and handed to me January 30, 11 p. m., with request that it be transmitted as soon as possible to Department. Chinese Foreign Office has released this translation of text to press:

"January 30, 1932. Monsieur le Ministre: Since the unprovoked Japanese military occupation of Mukden on September 18, 1931, Japan has been continuously pursuing, in the Three Eastern Provinces and the other strategic centers of China, her aggressive and positive military policy and has now even invaded Shanghai, the international trade center of China. On January 28 at 1:45 p. m. the reply of Mr. Wu Tieh-chen, the Mayor of Greater Shanghai, in reference to the four demands of Japan, was accepted by the Japanese Consul General with satisfaction; but at midnight of the same day, Admiral Shiosawa, commander of the Japanese Overseas First Squadron, delivered an ultimatum to the Shanghai municipality demanding the immediate withdrawal of the Chinese troops for the occupation of the Japanese forces; at the same time the Japanese military forces took the initiative, rushed into Chapei district and attacked the Chinese troops with machine guns, and since then have been directing their attack continuously up to the 29th. Over 20 Japanese planes bombarded incessantly and indiscriminately along Chapei, the thickly populated district of Shanghai, causing the said district to be in a state of conflagration and resulting in the killing of countless civilians. Furthermore, the local administrations, transportation facilities, the Chinan University, the Commercial Press, various cultural organizations and principal commercial enterprises have all been totally or partly destroyed. Up to this moment they are still carrying on their hostile actions in flagrant violation of the Nine-Power Treaty of 1922 as well as the Briand-Kellogg Antiwar Pact and the Covenant of the League of Nations and in utter disregard of the various resolutions adopted by the Council of the League of Nations.

Such actions not only place the lives and properties of all nationals residing in Shanghai in great danger but also constitute a direct menace to the very foundation of humanity and civilization. It is obvious that Japan should bear the entire responsibility.

The Chinese Government, by observing the resolutions of the League Council, has been exercising great restraint and toleration under various provocative and hostile actions, but Japan, disregarding our for-

bearance, suddenly instructed their marines to attack Shanghai and menace our National Capital. In deliberately aggravating the situation by military action on the part of Japan, the Chinese authorities are compelled to take necessary measures of self-defense and for the upholding of her sovereign rights.

With Shanghai in such a critical situation, the other places of China can be placed in great peril at any moment. Japan's violation of the Nine-Power Treaty is impairing the sovereignty and independence as well as the territorial and administrative integrity of China. As Your Excellency's Government is the sponsor of the said treaty I have the honour to urgently request that you will cable Your Excellency's Government to observe their solemn pledges and obligations of the said treaty by adopting prompt and effective measures in order to prevent further Japan's military actions within Chinese territory and all other such acts on her part as are in violation of the said treaty so that its sanctity may be preserved and peace in the Far East maintained.

I avail, et cetera, Lo Wen-kan, Minister of Foreign Affairs."

Repeated to Legation.

PECK

793.94/3776 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 31, 1932—10 a.m.
[Received January 31—12:25 a.m.]

22. In execution of formulated plan the most important officers of the Chinese Government have temporarily removed their offices from Nanking.

Four Japanese destroyers have just arrived and anchored. I have telephoned to the Japanese Consul in my capacity of Senior Consul and he has again assured me that the Japanese vessels will not take the initiative in fire action.

Repeated to Legation.

PECK

793.94/3758h : Telegram

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

WASHINGTON, January 31, 1932—noon.

Department understands that Commander Chinese 19th Route Army has asked Mayor to demand that Settlement authorities disarm Japanese Marines in Settlement, failing which he threatens to try to

drive Japanese out of Settlement to ships. Also, that defense committee, including Japanese Chief of Staff of landing forces has considered situation; that Settlement authorities have asked Japanese to cease moving armed forces through Concession, to cease armed patrolling of United States sector and patrolling by armed Japanese civilians and to reduce forces around Japanese mills in northern United States sector. Also, that proposal was made to establish reserve line east and west and that it is intention of American Command, if American neutrality is jeopardized, to occupy position on that line and turn portion of sector north of that line containing Japanese mills over to Japanese.

Department has just been informed from London that there is a proposal to establish a neutral zone outside of the Settlement and that knowledge of this Government's attitude in reference to cooperation in relation to that project is desired. If there is such a project and if you consider it practicable and approve, Department authorizes American cooperation. To this extent Department's previous instructions are amended.

Department on basis of its understanding of these developments and arrangements, approves in principle. Department feels that every reasonable effort should be made to induce Japanese to refrain from any use of the Settlement by their regular armed force and to disarm all their regular civilians not in Settlement volunteer forces. If neutral zone is established, agreement to respect it should be secured from Japanese military authorities as well as Consul General.

Chinese authorities should be informed that any military activities on their part involving violation of defense lines of Settlement will be objected to.

Orders have been given to Admiral Taylor, Manila, to proceed with cruiser and destroyers to Shanghai. Department wishes it to be understood that this involves no threat but is a measure of precaution for ensuring safety of American lives and legitimate interests and fulfilling our responsibilities in general at Shanghai and at other exposed ports in the Yangtze and elsewhere in China.

STIMSON

793.94/3757½

Memorandum of Trans-Atlantic Telephone Conversation[1]

SECRETARY. Hello, Mr. Prime Minister.

MACDONALD. We have had a terribly full day today. We are getting news from hour to hour of the drive from Shanghai.

[1] Between Mr. Stimson in Washington and Mr. MacDonald in London, January 31, 1932, 12:15 p.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

SECRETARY. Yes, I imagine so. Atherton called me a few hours ago[2] and told me of the situation as you gave it to him and we have acted accordingly. I am sending up the whole Asiatic Squadron from Manila, consisting of one cruiser and the rest of the destroyers. That will reinforce the landing party by about a thousand men, and I got your message about the neutral zone and I have authorized the American forces there to assist in the defense of that zone. I have no information of the agreement except through this telephone message and of course I made it conditional upon that being confirmed by our own people.

MACDONALD. We are still watching it and we have just had another message within the hour saying that there is some difficulty about the neutral zone.

SECRETARY. Well, it occurred to me that it is absolutely necessary that on the one hand the Japanese must agree not to use the Settlement and on the other hand the consent of the Chinese must be obtained to this neutral zone before we put our people out of it . . . We must be very careful.

MACDONALD. Yes, that is a very grave situation. We are keeping our eye upon that. We are trying to avoid it. One of our latest despatches which just came in is that the neutral zone system was warmly supported by the Chinese. The proposition was on the grounds that conditions in that area were so dangerous that they could not use joint protection of the many neutrals there.

SECRETARY. You must be sure that the Chinese agree. You must be sure that the Japanese agree. Both of them.

MACDONALD. Both of them, yes.

SECRETARY. Well, I understand that this conference was participated in by the Commander of the Chinese forces and that he agreed to the neutral zone.

MACDONALD. I understand that the Japanese Consul General has referred to his Government the proposal that the Japanese should evacuate all that area outside the Settlement limits in favor of the neutral forces. That is how it stands at the moment. Just a minute or two ago we addressed a message to Tokyo presenting to the Japanese Government what the present situation means to all the nations interested in the International Settlement.

SECRETARY. Well, what does that despatch say to Japan?

MACDONALD. It just emphasizes the fact that all this action of theirs is giving us great trouble, great anxiety, putting us to great expense

[2] For substance of telephone message, see telegram No. 36, January 31, noon, *infra;* also telegram No. 37, January 31, 3 p.m., p. 142.

and is putting our people and the other people in the International Settlement to great anxiety and impressing upon the Japanese Government its responsibilities to remove all this from us by coming to an agreement which will finish the fighting, and to be settled by negotiation.

SECRETARY. Have you taken the position perfectly flat that they must stop using the Settlement as a base?

MACDONALD. Perfectly clear. It is as clear as English words can make it. Yes, sir, that is so. As a matter of fact, they have promised to do it.

SECRETARY. I have no promise myself to that effect.

MACDONALD. We had that promise two, maybe three, days ago, certainly two days ago. . . .

. . . . . .

SECRETARY. . . . There is this to be said on the other side of the general proposition. Here is coming a very possible deadlock. The situation is getting very serious. There is, however, a breathing spell before Japan sends a large expeditionary force. She is worrying over that. She does not want to do it. There is a better chance now of her welcoming such a suggestion after this reverse than at any other time. Now, if there is any better way by which a suggestion coming from our two countries would do it——

MACDONALD. If, on further consideration, you think that the President could address this message to the Emperor, I would be perfectly willing to address a similar message or one along the same lines, to our own Minister, and that would not have quite the same effect, but it would [be?] much more than a message from the Foreign Office to an Ambassador to be communicated through the Ambassador to a Foreign Secretary. The message I have in mind would be a message I would write with my own hand and address it to the Prime Minister of Japan, and I would say that the effect would be an immediate effect, and I am willing to do it alone. I have a perfect mind to do it tomorrow, in support of you in every way.

SECRETARY. I did not mean to indicate that we would only do it in case the King did it, but we are simply turning the whole matter over in our own minds, and we realized the difficulties arising from your constitutional situation. And for that reason, I put it up to you to think it over and let me know your feeling. From our standpoint here, there are great advantages in having the President do it rather than the Secretary of State, because he speaks in a peculiar way for the people and under no constitutional disabilities, such as the King.

MACDONALD. Yes, the President is much freer, and if you still decide to do it and if you think it advisable that I should address the

Prime Minister on the same lines, I am quite willing to do it, but only to help the situation and the United States policy.

SECRETARY. I will talk that over with the President. He has called a conference this afternoon on the general situation with me. Of course, this immediate situation in Shanghai has occupied our whole attention as it has yours, and it occurs to me that it may seem to be opportune before Japan becomes embarked on a major effort like an expeditionary force, that they be given an opportunity to graciously withdraw.

MACDONALD. Well, that is what we have been trying to do today, and it is a little bit easier, although I would not like to commit myself to that. However, if they would take that neutral section, then we can have a little breathing spell.

SECRETARY: Well, was there any agreement of a truce at all?

MACDONALD. There is.

SECRETARY. That is a more difficult thing. We are working away at it. What I mean is, in case this neutral zone is agreed upon, have you any idea where the Japanese will move to make their base.

MACDONALD. No. That is one of the things we have been working at on a very big scale. We may be work [ing?] on it all night, but it is impossible to say at the moment. They have agreed not to fight at the present moment, but how long that will last, I do not know.

SECRETARY. Both sides, China and Japan?

MACDONALD. Both. If the Japanese Consul General receives an unfavorable report, the Chinese General would then refer to his Government a set of instructions and then send a letter to continue.

SECRETARY. Let me repeat that. If the Japanese Consul General receives a favorable report——

MACDONALD. An unfavorable report——

SECRETARY. If the Japanese Consul General receives an unfavorable report, the Chinese General would then refer to his Government a set of instructions and then send a letter to continue, and this proposition which has been referred to Japan, which you speak of, is the proposition for a truce or for a neutral zone?

MACDONALD. The proposition is for a neutral zone. There has been a truce now for about 24 hours.

SECRETARY. Thank you very much. I understand that now.

MACDONALD. I think that is about all we know at the moment. Now when will you let me know your President's reaction to the suggestion I made?

SECRETARY. Well, I can let you know after the conference this afternoon, probably about ten o'clock by your time, about five o'clock here. In case the decision is unfavorable about going on with that, perhaps I had just better cable you, not telephone. If anything brings up the

necessity of a further telephone message, it would be in the neighborhood of nine or ten o'clock tonight. Is that all right? How is that for you?

MACDONALD. I will not be in here between nine and ten, but I could give you a number, or if you would prefer, you could speak direct to Sir John Simon, either Simon or myself.

SECRETARY. Yes, I see. Can you leave word with the telephone people so that if I should call then I could get one or the other of you two.

MACDONALD. I will give you my number. It is Grosvenor 1616, and if you want to ring up Simon, his is Park 8877.

SECRETARY. All right. Thank you very much.

MACDONALD. My kindest regards to Mrs. Stimson and yourself.

SECRETARY. Thank you very much. The same to you and Ishbel.

793.94/3782 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, January 31, 1932—noon.
[Received 12:35 p.m.[4]]

36. Following is substance of telephone message transmitted to you this morning:

"I have just come from Downing Street where Prime Minister and Secretary of State informed me latest news from Shanghai exceedingly grave and on information they have received have at this moment ordered a further 8-inch cruiser to sail from Hong Kong carrying to Shanghai reenforcements of one battalion and one battery. This makes one 8-inch cruiser already at Shanghai, a second 8-inch cruiser en route to Shanghai and a third 8-inch cruiser which has been [ordered] there this morning carrying this [*sic*] further reenforcements of one battery and one battalion. Prime Minister wants to know what forces American Government has at Shanghai and whether American Government will take the same measures the British have just done and urgently reenforce their fighting strength at Shanghai. The news from China indicates the Japanese have continued to use the International Settlement as base of attack and Chinese are doing likewise. Meanwhile Chinese reenforcements are arriving at Shanghai from Nanking and it is probable with the forces available the Japanese will be unable to cope with the situation they have brought about. Evidently the Prime Minister fears a massacre of foreigners in the International Settlement by undisciplined Chinese horde."]

Since leaving Downing Street Prime Minister advises me by telephone of Shanghai cables just received from British Consul General

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[4] Telegram in two sections; section two was sent at 1 p.m.

who reports a conference with his American colleague, the Japanese Admiral, the Chinese General and the Mayor of Shanghai has just taken place. At this conference it was suggested that each side withdraw to a certain distance and it was proposed the area east of the railway which was to be evacuated by the Japanese should be policed by neutral forces. There will be another meeting at Shanghai today when Defense Committee of commanders of the troops of the other nations will work out a scheme of defense. In the telegram British Consul General advises British forces should share in policing neutral area east of the railway even though possible dangers to troops may arise from sniping, et cetera, for "any other alternative seems fraught with terrible consequences." Prime Minister says the British Government desire this and urges the American Government will do likewise. British Government is authorizing British Consul General Shanghai to proceed as is proposed with "the confident assumption American Government will act likewise." British Consul General has been informed that British Government is urgently requesting the American Government to send the necessary authorization to the United States authorities at Shanghai at once in order that there may be the immediate cooperation demanded by the situation.

ATHERTON

793.94/3756 : Telegram

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

SHANGHAI, January 31, 1932—2 p.m.
[Received January 31—6:50 a.m.]

Referring to the Department's telegram of January 30, 4 [*8?*] p. m.,[5] I am of the opinion that during the 29th International Settlement was used as a base of operations. Technically at the present moment there is considerable doubt as to whether this is true. There is no question but that in the event of hostilities developing they intend to use International Settlement as a base. All depends on developments, but the intention to use the Settlement as a base is undoubted in my opinion. The Japanese occupy the tongue most of which is Chinese territory. The Japanese headquarters is on an extra-Settlement Road. All land-

[5] Text reads: "It is reported that the Japanese are using the International Settlement as a base of operations. Please confirm or deny promptly since if this is the case I wish to protest to the Japanese Government. Stimson." (793.94/3758d)

ing parties pass through Settlement to reach their bases on North Szechuan and Gordon Roads. Colonel Hooker, commanding marines, informs me that there is no doubt that they are using the Yangtzepoo area and Hongkew area as a base, as all Japanese landing parties march through this area to the front.

I hope a protest will be made.

Repeated to Peiping and Nanking.

CUNNINGHAM

793.94/3781 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, January 31, 1932—3 p.m.
[Received 6:30 p.m.[6]]

37. I have conveyed to Prime Minister as "my understanding of our telephone conversation this morning":

(1) That you agree to urgently reinforce American armed strength Shanghai;

(2) That you are inclined to agree to take similar action in regard to the proposal of the Shanghai conference set forth in section 2 of my 36, January 31, 1 p.m., however, before definite decision you prefer to await receipt of reports from the American Consul General at Shanghai;

(3) That State Department will telegraph me as soon as possible approximate strength present United States armed forces in Shanghai (Foreign Office understands at present this to be some 1,300).

Subsequent to my telephone conversation with you this morning British Government has instructed its missions in Nanking continents [*sic*] and Tokyo to urge upon the respective Governments to accept the proposals of the Shanghai conference referred to in second section of 36, January 31, 1 p.m.

In informal confidential Foreign Office conversation this afternoon I was informed that the Prime Minister has not as yet had time, in view of this morning's urgent reports, to reach decisive decision regarding your 43, January 30, 8 p.m. However, Foreign Office reactions at present are as follows:

(*a*) Situation has materially changed since you talked on the telephone with the Prime Minister last evening;

(*b*) Note should be limited in length, preferably to one paragraph, and should more pointedly concentrate on Shanghai concerning which Japanese Government has already a "guilty conscience" rather than by possible implication include Manchurian situation which would

[6] Telegram in two sections.

weaken the effectiveness of a note directly dealing with present Shanghai imbroglio;

(*c*) To be effective to the Japanese Government in its present state of mind the implied appeal in your draft on behalf of China and the Chinese should be eliminated.

Please realize the above reactions were given to me only for my personal information but I venture to repeat them as of possible value in your further deliberations.

ATHERTON

793.94/3769 : Telegram

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

SHANGHAI, January 31, 1932—4 p.m.
[Received January 31—9:20 a.m.]

As a sequel to my telegram of January 29, 8 p. m., the Japanese Admiral and Consul General and the Chinese Mayor and General Au San-lin, in command of Chinese forces north of Shanghai, met in conference at the British Consulate General with Brenan and myself as observers. The question of relieving the situation by reaching an agreement between the military forces of China and Japan was the object of the meeting. After 2 hours' discussion adjourned for the purpose of securing attendance of Defense Committee for joint consideration of the following proposal:

The Japanese should undertake to pursue no further military operations in Chinese territory and withdraw their forces from the railway to the municipal property and road in the tongue. The Chinese to withdraw from the west side of the railway 2,000 meters. The space between the new Japanese position and the railway to be occupied by neutral troops. To the west of the railway to be policed by Chinese policemen.

The discussion will be continued at 3 o'clock with considerable hope of acceptance by the Japanese and Chinese.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3763 : Telegram

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

SHANGHAI, January 31, 1932—5 p.m.
[Received January 31—6:45 a.m.]

Referring to my telegram January 31, 2 [4] p. m., definitions: "Tongue" should be understood in telegrams to mean that part occu-

pied by Japanese chiefly in Chinese territory. It starts from a point at junction of Jukong and North Szechuan Roads and follows the former west to the railway running to Woosung, thence northeast with the railway to Sawgin Creek north of Hongkew Park following Sawgin Creek to Settlement boundary at Sawgin Road. "Municipal property and road" in the tongue means Hongkew Park and municipal-owned extra-Settlement roads in the tongue. The Japanese also occupy Yangtzepoo and Hongkew areas in the Settlement.

Repeated to Legation and Nanking.

CUNNINGHAM

793.94/3764 : Telegram

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

PEIPING, January 31, 1932—5 p.m.
[Received January 31—8:40 a.m.]

164. Following telegram has been sent to Shanghai:

January 31, 5 p. m.

1. Your January 30, 4 p. m., and January 30, 6 p. m., clearly indicate that it is your view as well as that of the Chairman of the Municipal Council that the Japanese are using the Settlement as a base of operations. It also appears that Japanese troops are operating independently and not in accordance with the general defense plan agreed upon and thus creating a particular danger that the troops of other nationalities stationed in their respective sectors may become embroiled in some of the Japanese clashes.

2. In the opinion of the Legation the action of the Japanese, as described in your telegrams, tends to break down the neutrality of the Settlement and to afford to the Chinese good ground for complaints of discrimination against them. In these circumstances the Legation believes that the consular representatives would be wholly justified in bringing these considerations to the attention of their Japanese colleague and urging a prompt discontinuance of all courses of action adversely affecting the Settlement's integrity. See Legation's January 30, 5 p. m.[7]

Repeated to the Department.

For the Minister:
PERKINS

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[7] See telegram No. 158, January 30, 6 p.m., from the Minister in China, p. 117.

793.94/3779 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, January 31, 1932—7 p.m.
[Received January 31—4:10 p.m.]

39. Following communiqué was issued by Foreign Office tonight:

"A meeting was held this morning at which were present Prime Minister, Secretary of State for Foreign Affairs, Chancellor of the Exchequer, First Lord of the Admiralty, Chief of Imperial General Staff and Vansittart. The situation at Shanghai was discussed and the military and naval positions considered. In addition to the three battalions already at Shanghai it was decided to despatch a warship from Hong Kong carrying a battalion of infantry and a battery of artillery in response to a request from Brigadier General Fleming for reenforcements. Naval force at Shanghai consisting at present of cruiser *Cornwall*, sloop *Sandwich*, and gunboats, will shortly be reinforced by arrival of cruiser *Kent* from Batavia; cruiser *Suffolk* from Hong Kong was due to arrive today.

At a meeting today at Shanghai which was presided over by the British Consul General at which the American Consul General was also present, together with the Japanese and Chinese commanders, it was proposed to establish a neutral zone between the Chinese and Japanese troops to be occupied by troops of the neutral powers which have forces in the International Settlement. The British Consul General has now been informed that the necessary arrangements should be made for the British troops to cooperate if the neutral zone can be established and the United States Government is being requested to take similar action.

The British Government is also urging the Japanese and Chinese Governments to accept the scheme for a neutral zone and to issue immediate instructions to their troops accordingly."

ATHERTON

793.94/3775 : Telegram

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

SHANGHAI, January 31, 1932—10 p.m.
[Received January 31—9:25 a.m.]

My telegram January 30, 4 p. m. and Department's January 30, 2 p. m.

2. The Secretary General of the Council informed me this afternoon that the Council had decided not to file a formal protest against the violation of the neutrality of the Settlement.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3972

The British Embassy to the Department of State[8]

TELEGRAM FROM SHANGHAI, JANUARY 30, 1932

At a meeting of Defence Committee this morning situation was considered to be extremely serious. In spite of protests, Japanese forces continue to use sector of other nations both offensively and defensively, thereby infringing neutrality of the Settlement. Further protests are now being made through consular bodies.

His Majesty's Ambassador at Tokio is advised by telegram dated yesterday that, from the foregoing it is clear that assurances given him and reported to the Foreign Office are not being observed. This would be a very grave breach of faith. He is to make renewed and immediate representations and if the answer is not entirely satisfactory he is to protest with great seriousness and energy.

It is hoped that the Government of the United States will make similar representations.

[WASHINGTON,] January 31, 1932.

793.94/3910

Statement by the White House on January 31, 1932

A conference was held by the President today with the Secretaries of State, War and Navy, Under Secretary of State Castle, Chief of Staff General MacArthur, and Chief of Naval Operations Admiral Pratt. The request of the American Consul General Cunningham and our naval officers at Shanghai for still further protection of American citizens in the International Settlement at Shanghai was considered.

Directions have been given to send to Shanghai the 31st Regiment of about 1000 men now at Manila together with 400 Marines on the transport *Chaumont* leaving tomorrow. The cruiser *Houston* and 6 destroyers left Manila this morning for Shanghai.

With these additions to the marines already there the total American forces in the Settlement will number to about 2800. As soon as conditions permit the troops will be returned to Manila.

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[8] Handed by the British Ambassador to the Chief of the Division of Far Eastern Affairs, January 31. This paper bears the following notation, in handwriting presumed to be the Ambassador's: "Rome & Paris similarly instructed."

793.94/3801b : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, January 31, 1932—5 p.m.

45. Inform Prime Minister immediately that I have taken up with the President the matter discussed between him and me by telephone this morning and last evening. We feel that for the moment the project should be postponed. I shall probably later renew conference with regard to it.

STIMSON

793.94/3757 : Telegram

The Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, January 31, 1932—8 p.m.

10. Your number 20, January 30, 6 p. m. You should call upon the Minister for Foreign Affairs immediately and, as under instructions from the Department, inform him that the American Government strongly urges that the Chinese Government exercise the utmost forbearance and self-restraint in connection with the situation at Shanghai. You may say that the American Government is doing its utmost to the end that the International Settlement shall not be involved in the dispute between China and Japan, and that any troop operations against the Settlement would be objected to by the American Government and would inevitably aggravate an already serious situation.

For your information: We have made strong representations in Tokyo.[9]

STIMSON

793.94/3778 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 31, 1932—10 p.m.
[Received January 31—8:44 p.m.]

23. 1. The Minister of Foreign Affairs January 31, 1 p. m., asked French Minister, British Chargé d'Affaires and me to conference attended also by two Vice Ministers.

2. The Minister of Foreign Affairs made lengthy statement, principal points being as follows:

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[9] See telegram No. 31, January 31, 2 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 171.

(*a*) The present policy Chinese Government is one of self-defense. The Government has now, as in the past, absolutely no intention of declaring war on Japan. The resistance opposed to Japan at Shanghai was merely an exercise of right of every government to defend the lives and property of its citizens and the performance of its duty to protect the interests of foreign residents.

(*b*) In the removal of important functioning offices of the Chinese Government to Loyang there is no thought of preparing for war. The military measures by Japan have been of a nature to warrant the claims that the capital is the objective and that it is the intention of Japan to coerce the Government to set its seal of approval on Japanese actions. The arrival today at Nanking of four additional naval vessels and the sending to China of a large number of troops and airplanes clearly indicate that more than the Shanghai situation is in the mind of the Japanese Government. Hence the necessity for removing the principal offices of the Government.

(*c*) In response to appeal from China the League of Nations has been very sympathetic but China has now addressed a note to the Nine-Power Treaty signatories. China has demonstrated that she has observed all treaty obligations and hopes that signatory powers will take measures to prevent enlargement of the present controversy. China has been driven to desperation and desires to invoke every international agreement by which the signatory powers pledge support and assistance to China in a moment like the present. China anxiously awaits the remonstrances to be made for from [*based upon?*] the Nine-Power Treaty, the Kellogg Pact, and the League Covenant.

(*d*) The Japanese Consul General at Shanghai has publicly announced that the occupation by Japanese forces of Chinese territory east of the Shanghai-Woosung Railway in Chapei was in accordance with decision of the International Settlement authorities. The Chinese Government does not know whether this statement is true or not but if it is the Government contends that the decision was *ultra vires*.

(*e*) The area south of Soochow Creek in western extremity of the International Settlement has usually been patrolled in times of emergency by British or American forces and British troops were there until afternoon of the 30th when they were replaced by Japanese marines. The latter thus have two sections of territory and are using the International Settlement as a base of operations. The Chinese authorities wish to reduce the area of conflict which has thus been enlarged and they wish to complain of this extension through the diplomatic representatives to the authorities of the Settlement.

(*f*) The Chinese Foreign Office wishes to inquire merely for information whether it is true as reported that American marines are patrolling area south of Soochow Creek in eastern part of the Settlement and have arrested Japanese plain-clothes men there.

(*g*) The principal officers of the Government who left Nanking, January 30th are Chiang Kai-shek, Wang Ching-wei, Feng Yu-hsiang, Li Chai-sum, and Chu Pei-teh. At least six Ministers remain.

Repeated to Department, Legation and Shanghai.

PECK

793.94/3771 : Telegram

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

SHANGHAI, January 31, 1932—11 p.m.
[Received January 31—12:03 p.m.]

Continuing my January 31, 4 p. m., the Committee of Defense stated that the proposal contained in my telegram was not feasible and that they could not execute it. The committee stated that the only feasible plan about [*would be?*] a complete withdrawal of the Japanese from the [tongue?] into the International Settlement and the placing of the tongue under the control of a neutral power and the Chinese moving their line 2,000 yards to the west of the railway. This was accepted for the Chinese but declined [by?] the Japanese who refused to [have their forces?] removed from the tongue. The meeting was a disappointment because of the very strong attitude of the Japanese against continuing the truce without the withdrawing of the Chinese military line but [this?] was eventually accepted, therefore, the truce continues until further notice. The Japanese Consul General agreed to submit the proposal of the Defense Committee to his Government for consideration, and upon the receipt of a reply if unfavorable the Chinese would then submit matter to their Government. I have very little confidence in the truce. The proposal of the committee would be an ideal solution but it is certain that neither the Japanese Admiral nor the Consul General will endorse the proposal.

Repeated to Peiping and Nanking.

CUNNINGHAM

793.94/3788 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, January 31, 1932—11 p.m.
[Received January 31—4:40 p.m.]

24. My 21 [*22*], January 31, 10 a. m.

1. Four Japanese destroyers arrived cleared for action and in view of the recent hostilities between Chinese and Japanese at Shanghai I have given anxious consideration to advisability of advising community of 170 Americans to evacuate. After calling on Vice Minister for Foreign Affairs Hsu Mo at 12 noon the Japanese Consul then called on me. He expressed fear that the removal of the Chinese Government might weaken discipline and lead 19th Route Army to take some hostile action. I told him that T. V. Soong had assured me that

the Chinese Government earnestly desired to avoid any incident at Nanking, but that in spite of this assurance and the assurances received from the Japanese Consul himself that Japanese naval vessels would take no initiative in fire action I felt the greatest anxiety for American residents because of the possibility that some accident or misunderstanding might precipitate firing between the Japanese ships and Chinese batteries. He was surprised to learn that Soong was in Nanking, and very shortly left to see him. Subsequently he returned and told me Soong had talked at length, even about the Manchurian question. He said he had asked Soong on behalf of his Government whether the Chinese Government would consent to exchange with the Japanese Government promises to cease all hostile military action and Soong had replied that without more complete information he could not give a definite answer. I said if I could do anything personally to facilitate an agreement on this point I would gladly do so. We again discussed the dangerous situation at Nanking. The Japanese Consul stated that the Japanese naval vessels had not assembled at Nanking in order to overawe the Chinese Government nor would they take fire action to prevent movements of troops or munitions. He said they had been sent to Nanking merely to protect Japanese life and property on the Yangtze and would be sent where needed. I said, on behalf of myself and my consular colleagues, that we nevertheless felt deep anxiety for our nationals because of danger that an accident or blunder on either side might precipitate hostilities and I ventured to observe that this risk would [not?] be so acute if the Japanese naval vessels were at some other place than Nanking. I also said that while I was hourly considering the advisability of advising my nationals to evacuate, one thing that deterred me was my earnest desire to avoid anything that might increase the tension between China and Japanese [*Japan?*] and I feared that if my British colleague and I advised evacuation this might be construed as anticipation of hostile action by Japanese Navy against the capital of China. He expressed sympathy with this view and said he wished to present it to Japanese naval and diplomatic officials. As consular officer he understood my anxiety.

2. Meeting of representative Americans was held and situation thoroughly explained to them. Consul Meyer told them commercial vessel would leave this evening but general decision was not to evacuate.

3. I summoned meeting of British and French consuls and British and American senior naval officers. After prolonged discussion we decided not to advise evacuation but await further developments. Naval officers agreed that the situation had acutely dangerous possibilities. Signal officers are stationed at the Consulate General and Standard Oil residence affording speedy communication with the

American destroyer and evacuation plans are prepared. British firm has detained steamer until February 1, 12 noon.

Repeated to Department and Legation. PECK

793.94/3784 : Telegram

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

SHANGHAI, January 31, 1932—12 p.m.
[Received February 1—3:05 a.m.]

The situation within the Settlement:

Sniping by plain-clothes men both Japanese and Chinese is worse than it has ever been and the number [of] snipers is increasing. This is particularly true in the Hongkew district the policing of which was taken over by the Japanese marines the night of January 30th. Sniping however occurs occasionally in the central district close to this Consulate General.

2. Last night a group of eight Japanese civilians fired two shots over the head of the American marine sentry at his post. They were arrested and numerous weapons were found. The international police interviewed these prisoners who first stated that they were schoolboys but ages ranged from 25 to 50 years. Later they stated that they had been ordered by Japanese naval authorities to go to Japanese mill No. 8 and still later said they were Japanese school teachers. Another group of Japanese civilians were picked [up?] by American sentries. These were all armed with pistols. They were later disarmed and turned back loose.

3. Hundreds of thousands of refugees from the Hongkew and Yangtzepoo section of the city are pouring into central district. This will bring about serious problems as regards housing and food. There is every probability that a food shortage will occur.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3797

The Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation [10]

Japan on the pretext of certain Japanese monks being beaten presented four demands to the Municipal Government of Greater Shang-

[10] Copy of translation of telegram (received by the Legation January 30) transmitted to the Department by the Chinese Chargé under covering note of January 31, 1932.

hai including the punishment of the culprits, indemnification of the sufferers and prohibition of anti-Japanese movements. Anxious not to disturb the commercial relations of Shanghai, the Mayor of Greater Shanghai Municipal Government made at noon of January 28 a reply recognized by the Japanese Consul-General to be satisfactory. To the great surprise the Admiral of the First Japanese Squadron demanded at mid-night of the Greater Shanghai Municipal Government to withdraw the Chinese troops from Chapei and its neighbourhood, and give the place to the Japanese troops for the purpose of defense. In the meantime, the Japanese Admiral dispatched land units to attack the Chinese troops, which continued on January 29, and set Chapei to conflagration by bombs from the Japanese airplanes. As a consequence of these wanton attacks, numerous civilians—inhabitants of this region—were killed; and many Chinese administrative, communication, and educational organizations, as well as important commercial buildings were destroyed. For self-defense and protection the Chinese troops were forced to resist. On the same day at 8 o'clock p. m. on the initiative of the Japanese Consul-General, both sides agreed to cease fighting, but very shortly afterwards fighting again resumed. To-day at 1 o'clock a. m. the Japanese troops violently attacked with their armoured cars and field guns, but they were repulsed. Up to the present, fighting has been continuing with increasing intensity, and the Japanese have been conducting their attacks in an unwarranted manner and without regard to any principles of international law.

CHAPTER III: FEBRUARY 1–8, 1932

Good Offices by Powers in Proposal to China and Japan for Peaceful Settlement; Chinese Objections to Use of International Settlement at Shanghai by Japan as Base of Military Operations; Japanese Clash With Chinese at Nanking; Chinese Acceptance of Proposal of February 1; Further Representations by Powers to Japan Against Japanese Actions at Shanghai; Japanese Failure to Accept Proposal of February 1; Renewal on Japanese Initiative of Local Efforts to End Hostilities at Shanghai; Japanese Occupation of Harbin, February 5

793.94/3777 : Telegram

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

SHANGHAI, February 1, 1932—1 a.m.
[Received January 31—2:30 p.m.]

Japanese Consul General has just informed me that the Chinese has [*have*] begun attack on the Japanese positions. Chinese Mayor

reports that Japanese started attacking at 11:30. Truce no longer obtains. Rush supplemental naval forces.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3785½

Memorandum of Trans-Atlantic Telephone Conversation[11]

MR. MACDONALD: Good afternoon, Mr. Secretary.

SECRETARY: Good morning, Mr. Prime Minister. The important news as it seems to us, so far as I have been able to go over the cables, is the interview which took place in Tokyo[12] between the Foreign Minister there and your Ambassador and our Ambassador and the French Ambassador in that there seems to be implied and pretty strongly expressed a desire for our good offices and I have just been in conference with the President and we think that we should confer with you as to taking that up along the following lines: Have you any way of taking it down?

MR. MACDONALD: Just one moment, I will get someone at the 'phone to take it down.

SECRETARY: We think that they virtually asked for suggestions and that we should put out the following which is an attempt to follow the lines already partly worked out in Shanghai. I have got it in very brief form.

Number One. Cessation of all acts of violence on both sides.

(Mr. MacDonald repeats it.)

Number Two. No further mobilization or preparation for further hostilities between the two nations.

(Mr. MacDonald repeats it.)

Number Three. Withdrawal of both Japanese and Chinese forces from all points of mutual contact in the neighborhood of Shanghai.

(Mr. MacDonald repeats it.)

Number Four. Establishment of neutral zones in Shanghai by the Settlement and Consular authorities.

MR. MACDONALD: Within Shanghai?

SECRETARY: No, no, not within the Settlement but protecting it. You know that is the proposition they already have under consideration. These zones to be policed by neutral forces under arrangements to be set up by the Consular authorities.

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[11] Between Mr. Stimson in Washington and Mr. MacDonald in London, February 1, 1932, 10:15 a.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

[12] See telegram No. 31, January 31, 9 p.m., from the Ambassador in Japan, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 169.

Number Five. Upon acceptance of these conditions prompt advances to be made in negotiations to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris and of the resolution of the League of December 9, without prior demands or reservations and with the aid of neutral observers or participants. That is the total. That is the suggestion. I suggest that as a proposal to be made by you and us and if the French will follow it, the French and the Italians, but if there is any delay or the French will not follow it, we will be willing to go ahead with the proposal if you would with us.

MR. MACDONALD: The idea is to get the French and Italians to agree on all conditions and there has to be no delay. If there is any delay you are willing to go ahead provided we cooperate.

SECRETARY: Let me say one word or two of explanation. The first four points constitute the truce or the original proposal; we try to follow what we understand they have been working on in Shanghai. Now, of course, details of that are subject to change after discussion with you. The whole thing is open to discussion with you. We have necessarily been very hurried in getting this up, but you see it is early morning yet here and the message has only just come in reporting that conference, but it seems to us to be a psychological moment in the light of the Japanese Foreign Minister's talk to our Ambassador and your Ambassador and the French Ambassador yesterday. Now, will you confirm that with your Foreign Office and see what their impression is and, if you do, will you let us know and we suggest that the advances to France and Italy could be made better by you than us because you have quicker telephone communications.

MR. MACDONALD: We make the communications to France and Italy?

SECRETARY: Yes.

MR. MACDONALD: We have just received a report, as a matter of fact it was handed to me when I was told you wanted to speak to me on the 'phone and I have not had time to study it, but we have received a report from our Consul at Shanghai which puts a more sinister light on the whole thing. He has at last come to the conclusion that the Japanese will not agree, the Japanese naval authorities in Shanghai, since his talk with them he is convinced that they don't mean to come to an agreement; that they want to fight the situation which will mean that they will get extraterritorial concessions there and can use those concessions as a point for advancing Japanese trade in China. As I say, I haven't studied it but have just looked at it and that is the gist of his message.

SECRETARY: There has been no suggestion of that to us. Of course, that has been an idea which they have had for many years back but, at

the present moment, the thing that is significant is that Japan is hesitating very evidently at the serious position she has gotten into at Shanghai and the further strain that would be put upon her to organize a land force to attack the Chinese in the neighborhood of Shanghai and to rescue her Navy from the predicament they have gotten into. The significant statements that they have made to our Ambassador are very significant on that point. In the first place, the Foreign Minister is reported in the press to have said that the Japanese naval force would be wiped out unless they organize a big land force. There seems to be a clean admission that they are in trouble. He also made a definite statement to our Ambassador that it was not the desire of the Japanese to send any further reinforcements or to send any landing troops, and he also appealed to us at the end, my Ambassador reports, that at the end he laid a special stress upon his request that we use our good offices to induce the Chinese not to move up their troops. That was a direct appeal. I am quoting the language of our Ambassador.

MR. MACDONALD: Oh yes, I will take note of that; that is very important.

SECRETARY: There was a direct appeal, according to Mr. Forbes our Ambassador, that at the end he laid a special stress upon his request that we use our good offices to induce the Chinese not to move up their troops.

(Mr. MacDonald repeats it.)

SECRETARY: I will just give you another point here; I have the cable before me. Further back before that our Ambassador used these words that the Foreign Minister expressed appreciation of the good offices of the American and British Consuls General towards stopping hostilities and he requests that the United States use its good offices to induce the Chinese troops not to bring up further reinforcements and to withhold [*withdraw*] the troops now in Shanghai to a safe distance, to avoid clashes, and he follows that with the definite statement that it was not the intention of Japan to send any further reinforcements or land troops. That is about as definite a request for good offices as a nation could make.

MR. MACDONALD: Yes, that is a definite, precise statement. We are working on that.

SECRETARY: Now this is our situation. What I have read to you is our suggestion of what we think would be a fair proposal under this suggestion of good offices.

MR. MACDONALD: Very well, I will make the necessary consultations and will study your suggestions and then ring you up again in an hour or half hour. Good-bye.

SECRETARY: Good-bye.

793.94 Commission/53 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 1, 1932—10 a.m.
[Received 11:07 a.m.]

63. 1. I have imparted to Drummond orally the message conveyed in your number 33, January 30, 6 p.m.

2. I informed him frankly that the Department had not at the time of its reply yet received his *aide-mémoire* of January 30.[13] I told him, however, that in my personal view his communication of January 30 was so parallel in substance to his communication of January 29[14] in the particular respect of the setting up of the inquiry at Shanghai that its receipt would not affect the decision of the United States in the premises. I would, however, appreciate the Department's informing me on this point in order that the record may be clear.

3. Drummond stated that the Conference would welcome the cooperation of American officials in the inquiry at Shanghai under the conditions described in the Department's telegram under reference. He added that he believed that certain of the powers would be represented in the inquiry by their Ministers and that he personally hoped that this would be the case, not only because it would give the inquiry greater prestige but also because rightly or wrongly a belief was current that the consular corps at Shanghai was anti-Japanese.

4. The matter of the invitation to the United States to participate in the Shanghai inquiry is one resting entirely within the competence of the Secretary General who under the terms of article 15 of the Covenant is authorized to pursue any means within his discretion to obtain pertinent information upon which to base his report to the Council. Although the Secretary General will undoubtedly make known to the leading representatives on the Council the substance of his exchanges with the American Government on this point the question will presumably not come before the Council or be discussed in the Council unless it be brought forward by some member on his own initiative which seems unlikely.

5. I have reason to believe, however, that the substance of the Secretary General's communication of January 30 is known to press representatives here and I assume that it will be carried by the American press. In view of this I would appreciate being informed whether the Department is making any announcements or what reply is being made to inquiries, with particular reference to the earnest of cooperation in Shanghai on the part of American officials in China in line with the penultimate paragraph of the Department's telegram under reference.

[13] See telegram No. 59, January 30, 6 p.m., from the Consul at Geneva, p. 129.
[14] See telegram No. 52, January 29, 1 p.m., from the Consul at Geneva, p. 94.

Drummond has just telephoned me to say that in view of confusing rumors leaking out in regard to this matter he feels he must make an announcement. He will, however, withhold his announcement until 6 p.m. today Geneva time in order to afford the Department opportunity to make a prior official announcement in Washington if it so desires.

6. It is impossible to predict how much longer the Council will continue to hold meetings on the Sino-Japanese dispute. The present plan is simply to hold meetings from time to time to receive reports which the Secretary will submit to it from Shanghai.

GILBERT

793.94/4015

Memorandum by the Under Secretary of State (Castle) of a Conversation With the Counselor of the French Embassy (Henry)

[WASHINGTON,] February 1, 1932.

In the absence of the Ambassador M. Henry came in to read me certain telegrams concerning French action in Japan with regard to Shanghai. These telegrams pointed out that the British Ambassador in Paris had asked the French Government to cooperate with the British Government in bringing strong representations to bear in Tokyo concerning the situation in Shanghai, particularly as it might affect the International Settlement. Twice the French Government instructed its Ambassador in Tokyo to make such representations which had to do, of course, with the French Concession which adjoins the International Settlement. M. Henry said that his Government was keenly alive to [the fact that] whatever affected the Settlement would also affect the French Concession.

He then read me a telegram in answer to one which he had sent pointing out to the French Government that there was a strong press campaign in the United States, particularly pressed by the Hearst newspapers, asserting that France was not cooperating with the other nations in China for the reason that it had an understanding with the Japanese. The answer to this telegram instructed the Embassy to deny categorically any such assertions; the French Government stated that it was just as "absurd" to say that the French had any understanding with Japan with regard to Manchuria or China in general as it was to say that France had an agreement with Japan to block the proceedings in Geneva at the Disarmament Conference. The French Government categorically denied both these allegations.

The Secretary came in to my office and M. Henry read him parts of these telegrams, stating that he or the Ambassador would bring in

during the afternoon a written memorandum covering some of these points.

W. R. CASTLE, JR.

793.94/3785½

Memorandum of Trans-Atlantic Telephone Conversation[15]

MR. MACDONALD: Hello, Mr. Secretary. We agree in principle to the idea and to the points but there are just one or two things that we would like to consider and perhaps amend. About that we propose to ring you up again. I am sorry to trouble you so much but I have to run away. However, we don't agree to point four: Establishment of neutral zone within the Settlement.

SECRETARY: No, at Shanghai by the Settlement authorities.

MR. MACDONALD: Within the Settlement at Shanghai.

SECRETARY: No, no. What we refer to is the neutral zone which the Consular authorities at Shanghai are now trying to establish.

MR. MACDONALD: Oh, that is all right.

SECRETARY: We are not trying to impose our views upon the authorities there but they have been trying to establish a neutral zone in the light of their own information to make the Shanghai International Settlement more defensible.

MR. MACDONALD: I see now. That removes one of the difficulties we had in the wording. Well now, what is the move?

SECRETARY: The two points are these. We want the two forces of China and Japan to withdraw from contact at all points. Then if that makes necessary a neutral zone to ensure that they do not get into contact, that neutral zone is to be policed by neutral powers, but the entire delimitation of that zone must be left to the local people on that [*the?*] ground.

MR. MACDONALD: That clears our difficulty. Well now, what we propose to do is to communicate immediately with Paris and Rome telling them that we are doing so and that you are doing this.

SECRETARY: What's that? That you will do it?

MR. MACDONALD: Yes, Sir, as you suggest, we will do so. It will take up much less time.

SECRETARY: Yes, you will do it.

MR. MACDONALD: We will give them twenty-four hours to decide and we will send it to Tokyo and you will also send it to Tokyo without delay.

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[15] Between Mr. Stimson in Washington and Mr. MacDonald in London, February 1, 1932, 11:20 a.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation. For previous conversation, see p. 153.

SECRETARY: As soon as we know you are going to do it, we will do it.

MR. MACDONALD: Very well, we will do it without delay. We will tell you exactly when we will do it within an hour. Then we would propose to give a good reasonable time for the Japanese authorities to consider it and then give it to the press, and when we ring you up we will tell you what space of time we think is necessary for this. I thought you would like to know immediately that we agreed to the idea; that we agree to the lines that you laid down and that we also agree to the action that you propose to take.

SECRETARY: All right, that is first rate.

Are we agreed on Article Number Five? That is upon the acceptance of these conditions, prompt advances to be made in negotiations.

MR. MACDONALD: When I ring you up we may have one or two verbal alterations to make.

SECRETARY: In principle and in general you agree to five as well as to the first four?

MR. MACDONALD: In principle, we agree to five as well as to the first four.

SECRETARY: All right, very well.

MR. MACDONALD: Good-bye.

SECRETARY: Good-bye.

793.94/3786½

Memorandum of Trans-Atlantic Telephone Conversation[16]

SIR JOHN: Is that you, Mr. Secretary, it is nice to hear your voice.

SECRETARY: It is nice to hear you too.

SIR JOHN: I am fully in touch with your conversations this afternoon with the Prime Minister and he asked me to ring you up now about these proposed terms by the Powers. May I just make one or two verbal suggestions first?

SECRETARY: I should welcome them.

SIR JOHN: I will then tell you what our time table will be to carry them out.

First, probably number one would run better if we added at the end "forthwith on the following terms" so that one would read "cessation of all active violence on both sides forthwith on the following terms".

SECRETARY: Then it modifies the following points. There is one error there from the telephone message. Our proposal says "all acts of violence".

[16] Between Mr. Stimson in Washington and Sir John Simon in London, February 1, 1932, 12:30 p.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

SIR JOHN: We got your words wrong. I have got it right now. "Cessation of all acts of violence on both sides forthwith on the following terms." We thought you would want to say that the cessation of all acts of violence was to be stipulated for on the following terms.

SECRETARY: Go on, Sir John, I see your point.

SIR JOHN: No further mobilization or preparation for further hostilities.

SECRETARY: Between the two nations.

SIR JOHN: As you like.

SECRETARY: Those words had this import that they were intended to be general and not applied to the Shanghai area alone.

SIR JOHN: That is just what we wanted to raise. Then you are stipulating for everything in Manchuria?

SECRETARY: No, I meant any mobilization or preparation outside of Shanghai or the forces there.

SIR JOHN: It would be very difficult to stipulate in this connection, would it not, that there is to be a complete hold-up of all movement in Manchuria?

SECRETARY: I think that would be true.

SIR JOHN: Well then, how do you propose to limit that?

SECRETARY: I do think this should cover any preparation or mobilization for further hostilities no matter where that mobilization or further hostilities took place. I mean there should be a stoppage at once of any expeditionary force from Japan and a stoppage of the Chinese further movements from Nanking.

SIR JOHN: Do you insert the words at the end "between the two nations"?

SECRETARY: That was intended for that purpose.

SIR JOHN: You see it appears to us that if the whole thing is described as terms proposed by the Powers for cessation then your second point will mean what you intend it to mean and it won't be understood to apply to Manchuria.

SECRETARY: I get your point and I would like to consider that. I think that perhaps by putting in the words "no further mobilization or preparation whatever for further hostilities"—

SIR JOHN: Put in the word "whatever" after ["]preparation["]?

SECRETARY: Yes.

SIR JOHN: In three, we don't want to alter it at all. I will read my words here as taken from yours. Withdrawal of both Japanese and Chinese combatants from all points of mutual contact in the Shanghai area." That means either Japanese or Chinese irregulars.

SECRETARY: I mean all combatant forces. That is a good correction.

SIR JOHN: That would include the irregulars.

SECRETARY: Yes, that would include the irregulars but I want to be sure that it does.

SIR JOHN: For the moment I suggest this. Number Four. The Prime Minister spoke to you about where the neutral zones were to be. We have had a great deal of consultation about that during the last two days with people who know Shanghai very well; some of our soldiers know the city of Shanghai very well and we understand your meaning quite clearly. We suggest it be put like this.

SECRETARY: I will take it down.

SIR JOHN: Number Four. Protection of the International Settlement by the establishment of neutral zones to divide the combatants. This will cover the point mentioned this afternoon that may be just outside the International Settlement or possibly the neutral zone may run along the boundary, but we can't decide these details ourselves.

SECRETARY: I approve that, but you have not yet covered the defense of those neutral zones.

SIR JOHN: The arrangements are to be left to the Consular authorities.

SECRETARY: I don't care to go into the details necessarily of that, except those zones are to be policed by neutrals, thereby excluding both the Japanese and Chinese.

SIR JOHN: Yes, the arrangements can be set up by the Consular authorities.

SECRETARY: I don't insist on those last words but I am thinking them over afterwards; those were made in a hurry. It may be not only by the Consular authorities but by the military commanders of those neutral zones.

SIR JOHN: I thought of the same thing; that our own Consul General will know what has been done and he has been in consultation with your man and they have been in consultation with the General commanding all the way through.

SECRETARY: I suggest in view of that, that the last sentence read like this. "These zones to be policed by neutrals."

SIR JOHN: Don't you think we could make some indication that the plan is to be worked out locally and then it seems to me, if I may suggest it, that you might send instructions in connection with this to your Consul General to consult with the other Consuls and the local commanders.

SECRETARY: Then you are willing so far as you are concerned to leave it as it was.

SIR JOHN: I am perfectly willing to leave it as it was.

Number Five is necessarily a little vague but I don't think we can improve it and we accept your five as it stands. We think it is very good.

SECRETARY: It was intended to cover both the Pact of Paris and also not to give offense or to seem to supersede the League by leaving in the resolution of December 9.

SIR JOHN: I think it is very good.

SECRETARY: You can act on it.

SIR JOHN: May I just read to you, for safety's sake, how I have it now? "Terms proposed by the Powers for cessation of conflict at Shanghai."

SECRETARY: Will you now read the five points as they now stand?

SIR JOHN: Number One. "Cessation of all acts of violence on both sides forthwith on the following terms."

Number Two. "No further mobilization or preparation whatever for further hostilities between the two nations."

Number Three. "Withdrawal of both Japanese and Chinese combatants from all points of mutual contact in the Shanghai area."

Number Four. "Protection of the International Settlement by the establishment of neutral zones to divide the combatants; these zones to be policed by neutrals; the arrangements to be set up by the Consular authorities."

Number Five. "Upon acceptance of these conditions prompt advances to be made in negotiations to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris and the resolution of the League of Nations of December 9, without prior demand or reservation and with the aid of neutral observers or participants."

(The President and the Secretary confer with each other here and are overheard by Sir John.)

SIR JOHN: May I tell you my suggestion, kind people, what we should do?

SECRETARY: Wait a moment before we go any further, Sir John. We have some news that there has been firing at Nanking.

SIR JOHN: We have the same news now.

SECRETARY: There must be a provision in here that makes it perfectly clear that the acts of violence include such matters as that as well as——

SIR JOHN: I am afraid I think there is a deliberate plan on foot.

SECRETARY: What I mean is this. If you exclude Manchuria you must make sure you do not exclude the Upper Yangtze River.

SIR JOHN: I think that is perfectly true.

SECRETARY: The trouble comes mainly from the heading that you have just read to me. "Terms proposed by the Powers for the cessation of conflict at Shanghai." Leave off the words "at Shanghai".

SIR JOHN: "For the cessation of conflict."

SECRETARY: Yes.

SIR JOHN: We decided to strike out the name of Shanghai or [*and*

not?] put in extra words like ["]the Upper Yangtze Valley["] because of Chefoo, Swatow and other coast cities. We can't negotiate a truce for only a part of it.

SECRETARY: I am inclined to think you are right in excluding Manchuria where there is a special situation but in other respects it must be general.

SIR JOHN: We better not particularize too much as to place.

SECRETARY: I don't think you can particularize; I think you have to leave it as general and I think we have to modify our immediate insistence. I have already acted in regard to the Nanking incident here through the Japanese Ambassador and I have sent word to Tokyo that if they wish us to take seriously the suggestion they made yesterday they must stop it at once.[17]

SIR JOHN: Having heard the news from Nanking you have taken it up with the Japanese Ambassador in Washington and told him if he wanted the American Government to take seriously what the Japanese Foreign Minister said, they must stop this Nanking business at once. I quite agree with this but it looks like a very concerted plan on foot.

SECRETARY: There is another explanation. It is becoming very evident that the local commanders of the Japanese forces cannot be trusted to keep their heads, and it may come from that. They have done things that look to me more like the losing of the head than a concerted plan. It is just as bad one way as another.

SIR JOHN: On these five points you notice, don't you, Mr. Secretary, that you have the Shanghai area mentioned in point three. I suppose you want to leave it?

SECRETARY: Yes, because that applies to a specific condition there.

SIR JOHN: May I tell you my suggestion? Here is what I propose to do if it agrees with you. I propose at once to telegraph these terms to our Ambassador in Tokyo and instruct him to act on them within twenty-four hours, both with the man in Tokyo and our man in China in twenty-four hours, and also to communicate them to France and Italy. Then we propose to tell our Ambassadors that they should act, if possible, with the United States and French and Italian colleagues. We shall tell our Ambassadors that we are in complete agreement with you and ask the other two Governments to agree also and, whether the other Governments agree or not, he should act with the United States colleague twenty-four hours from now. From our time it will be six o'clock in the afternoon. We propose immediately to repeat the text of what you and I have just agreed to. We understand the thing to be quite secret, as far as we are concerned, until tomorrow night at this

[17] See memorandum of February 1, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 173.

time so that it will appear on Wednesday morning[18] in the press. It would not do for it to come out before we get the answer from France and Italy.

SECRETARY: That would make it public Wednesday morning at your time.

SIR JOHN: We won't publish it until Wednesday morning and we will deliver it in Tokyo and Nanking, or wherever the Government is, twenty-four hours from now.[19]

SECRETARY: Just let me ask you a question or two about what this means at Tokyo. This means that your Ambassador and ours make representation in the same form.

SIR JOHN: To make representation in the same form and at the same time, that is twenty-four hours from now.

SECRETARY: That does not mean technically joint action?

SIR JOHN: No.

SECRETARY: It means concurrent action and taking it together at the same time; what we call concurrent action rather than joint action. I think that is perfectly clear, Sir John.

SIR JOHN: I hope some good will come of it.

SECRETARY: I am very much obliged to you for your promptness in answering.

SIR JOHN: At Nanking a Japanese cruiser opened fire on the City at midnight and caused great damage.

SECRETARY: I got word a few minutes ago, which of course is this coming night, that the Japanese vessel was continuing fire and that our own vessel there had moved to get out of the line of fire and no warning was given.

SIR JOHN: You have a destroyer there?

SECRETARY: We have a destroyer there and we moved to get out of the line of fire and no warning was given of the firing.

SIR JOHN: I have another telegram which is not official but which I think is pretty good, that the Japanese Government has indicated in Tokyo an immediate despatch of Army units to Shanghai. I am afraid I am becoming quite convinced that the Japanese Foreign Minister is impotent to control the situation and that is one of the reasons why he has asked the Powers to do what they can. Our view is, and I think it is your view too, that it is better for us to do it, to make these united appeals quickly.

SECRETARY: I think I agree with you. This last news about the moving of the Army units is very serious.

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[18] February 3.

[19] As this would be in the middle of the night in Tokyo and Nanking, Mr. Stimson called Sir John Simon again at 12:50 p.m., to change the time for representations to February 2, 6 p.m., Tokyo time (793.94/3786¾).

SIR JOHN: Have you any news as to when your additional forces will reach Shanghai?

SECRETARY: No, I can't give you our time table now, but I could get it. They have sailed and the destroyers must be there now. The cruiser was to sail yesterday, our time, and I think I have seen a cable to the effect that she has started.

SIR JOHN: We have another battalion there now.

SECRETARY: It will take the Regiment two days to reach Shanghai.

SIR JOHN: It will take the Regiment two days to reach Shanghai, I see. It looks pretty bad but let us cooperate and do the best we can.

SECRETARY: We will go over it and do the best we can and I am very glad that there is such good cooperation between us.

SIR JOHN: All right, thank you very much.

SECRETARY: Good-bye.

793.94/3874 : Telegram

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

SHANGHAI, February 1, 1932—11 a.m.
[Received 6:20 p.m.]

The Department's January 29, 6 p. m. This requires a little explanation. It is when some emergency is declared there is appointed a Defense Committee composed of Chairman of Municipal Council, Commander of Shanghai Volunteer Corps and the senior officer of each landing force. These approve the division of the Settlement into sectors for defense purposes, each nationality being assigned by Defense Committee a certain sector. I have not confirmed the actual proceedings this Committee. On the 28th, however, the Japanese Admiral defined the assignment to the Japanese, saying that the Defense Committee allocated that sector of the Settlement for Japanese defense extending from the river following the northern boundary to an undetermined point on Settlement boundary and the Municipal property and road in the tongue (see my telegram January 31, 5 p. m.) and when he informed the Committee that in order to protect the International Settlement it would be necessary for him to extend his line westward to the Woosung Railway and eastward to Sawgin Creek the Committee "assented as a temporary measure". The admiral also emphasized that it was necessary to extend to the railway in order that he might protect the many Japanese residents in that section.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3792 : Telegram

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

SHANGHAI, February 1, 1932—2 p.m.
[Received February 1—9:20 a.m.]

Referring to my telegram of February 1, 1 a.m., the truce continues in about the same manner that it has for some days. This morning the firing was exceedingly violent and it appeared that the truce had become ineffective. Both Chinese and Japanese with excitement emphasized the breach of the agreement but I am glad to say it continues to obtain.

Every day the truce continues is of very great value to the Settlement and defense forces as time assists them in tranquilizing the mass of Chinese rushing into the emergency [*Hongkew district?*] and also those who madly but wisely flee from the Japanese to other sectors of the Settlement. The present disturbances present new and different difficulties from previous ones. Practically every man is armed and therefore sniping is evident and widespread. Firearms have replaced the propaganda circular. Sniping at present is directed particularly against the Japanese and unfortunately the Japanese are as heretofore defenders of the Settlement but as a matter of fact may be regarded as at war with the Chinese. Therefore, the Japanese sector is fast being evacuated by Chinese.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3921

Memorandum by the Secretary of State

[WASHINGTON,] February 1, 1932.

The French Ambassador sent word that he wanted to see me. He came to tell me that he had had translated the telegrams which M. Jules Henry had shown Mr. Castle and me this morning, but unfortunately he had afterwards forgotten them. He was very vehement, however, that there had been no agreement between France and Japan of the character which has been talked about in the press so nonsensically and that these telegrams show that that was so.

I then told the Ambassador what we had been doing this morning. I told him that we had received a cable from Tokyo[20] of an interview

[20] Telegram No. 31, January 31, 9 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 169.

yesterday in which the Foreign Minister had told our Ambassador, and apparently also the British and the French Ambassadors, that Japan desired our good offices in inducing the Chinese troops not to bring up further reinforcements and to withdraw the troops now in Shanghai to a safe distance to avoid clashes. I read him a portion of Forbes' telegram in which this request was contained. I told him that acting on this the President and I had taken steps to submit to Great Britain suggested proposals for a cessation of hostilities at Shanghai along the lines on which the local authorities there were now working and also urging the two countries to at once begin negotiations in the spirit of the Pact of Paris and of the resolution of the League of December 9 in the presence of neutral observers for a settlement of all outstanding controversies between the two nations. The Ambassador expressed approval of the propositions. I told him that, in order to save time, the British were to suggest that France and Italy should make similar representations. I stressed the point, however, that we were not insisting that the French and British should follow exactly the same lines but to cover principally those two points. I urged him to telegraph at once to his Government urging them to do so. The Ambassador said he would. He specifically approved of the suggestion about the neutral observers, saying that was good, and suggesting that the best representatives would be the Ministers on the spot. The Ambassador said the situation was very serious; that Japan was mad and that he could not be sure that a revolution might not break out in Japan at any moment. He said the situation there was extremely precarious with poverty and various troubles and that, in case of a military reverse, a revolution might easily occur instantaneously. I showed him the message I had received from the Navy as to the bombardment of Nanking.[21] The Ambassador threw up his hands and said "They are mad."

H[ENRY] L. S[TIMSON]

793.94/3902e : Telegram

The Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, February 1, 1932—3 p.m.

12. You will please arrange to call on the Minister for Foreign Affairs at 5 o'clock evening, Nanking time, February 2d to deliver to him a note the text of which follows:

You will say to the Minister for Foreign Affairs by way of introduc-

[21] See memorandum of February 1, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 173.

tion that the American Government has studied with care the statement made by the Minister for Foreign Affairs as reported in your 23, January 31, 10 p.m., and, on the basis of the Minister's statement that "the present policy of the Chinese Government is one of self-defense" and assuming that the Chinese Government does not desire continuance of hostilities, suggests to the Chinese Government the following proposal for cessation of hostilities. You will say that the same proposal is being made to the Japanese Government.[22] You will then read him the following note and leave with him a copy of it.

"PROPOSAL OF THE POWERS FOR CESSATION OF CONFLICT

1. Cessation of all acts of violence on both sides forthwith on the following terms.

2. No further mobilization or preparation whatever for further hostilities between the two nations.

3. Withdrawal of both Japanese and Chinese combatants from all points of mutual contact in the Shanghai area.

4. Protection of the International Settlement by the establishment of neutral zones to divide the combatants. These zones to be policed by neutrals. The arrangements to be set up by the Consular authorities.

5. Upon acceptance of these conditions prompt advances to be made in negotiations to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris and the Resolution of the League of Nations of December 9, without prior demand or reservation and with the aid of neutral observers or participants."

The British Government is sending to your British colleague similar instructions. The British Government is proposing to the French and the Italian Governments that they take similar action. In the event that those two Governments also decide favorably within time to make possible the presentation by their representatives of like representations at the same time, you will be informed either through the Department or through your British colleague. Confer with British colleague and arrange that you and he make your calls at the same time. Similar calls are to be made in Tokyo at the same time.

STIMSON

793.94/3851 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 1, 1932—2 p.m.
[Received 9:42 p.m.]

25. Following is my translation of note addressed to the American Minister, received January 31, 10 p. m., from the Chinese Minister for Foreign Affairs:

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[22] See telegram No. 34, February 1, 3 p.m., to the Ambassador in Japan, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 174.

"January 31, 1932.

Excellency: I have the honor to state that the municipal government of Shanghai has reported by telegraph that there was recently held in the International Settlement a meeting to devise defense measures, the participants being the Municipal Council and the British, American and French military commanders, and that although publicity was not given to the decision of the meeting regarding the allotment of areas for defense, nevertheless the Japanese Consul asserted in a public statement that the meeting designated by [*sic*] the section of territory east of the Shanghai-Woosung Railway as the one to be defended by Japanese troops; moreover, the commander of the Shanghai-Woosung Defense Force has reported by telegraph that in the International Settlement the area south of Soochow Creek and west of Pilinhu has hitherto been guarded by British and American forces and whereas on the present occasion when a state of emergency was declared, British troops were assigned to guard this area, nevertheless, on the afternoon of January 30 Japanese troops suddenly replaced the British troops, and the Japanese troops openly utilized the area in question as a base of military operations.

I have the honor to observe that the Chapei area, east of the Shanghai-Woosung Railway, is purely Chinese-controlled territory, invasion of which by the troops of another nation is, of course, not permissible. If the reported meeting to devise defense measures attended by the Municipal Council and the American, British, and French military commanders did actually designate that area for defense by Japanese forces, it was quite evidently an act which violated China's sovereignty and further, the Chinese Government regards it as most surprising that permission was granted to Japan to establish a base for military operations in the territory of the International Settlement.

I have the honor to request that Your Excellency will at once issue telegraphic instructions to the American Consul General and to the officer in command of the American military forces, Shanghai, to put a stop at once to the military operations of the Japanese Army in the Chapei district and no longer to permit the Japanese forces to utilize the territory of the International Settlement for attacks on Chinese-controlled areas.

I have the honor to hope that Your Excellency will take note of these requests and will act upon them with all speed and return a reply. (signed) Lo Wen-kan."

PECK

793.94/3800 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 1, 1932—3 p.m.
[Received February 1—11:23 a.m.]

65. 1. There have been persistent rumors here of a declaration of war on the part of China.

2. The Secretary General and Council members have impressed on

Yen the extreme disadvantage in which China would be placed should she take such a step particularly in the face of her recent appeal under article 15 of the Covenant (see article 12 of the Covenant, paragraph 1) and the consequent great tactical advantage under the provisions of the Covenant which a declaration of war by China would give Japan.

3. I learn that Yen while asserting that these rumors are entirely unfounded and that China has no intention whatsoever of declaring war has nevertheless telegraphed his Government in the strongest terms pointing out the danger of any such a movement.

GILBERT

793.94/3902a : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 1, 1932.

1. Inasmuch as you are now in Geneva the Department wishes you to keep in touch with the developments on the Sino-Japanese situation in Geneva just as you did before sailing for the United States. It does not, however, desire any change in the present method of reporting to the Department which has been highly satisfactory.

It is desired that you avail yourself freely of Gilbert's assistance both in regard to keeping in contact with the situation and in regard to preparing and transmitting reports and communications to and from the Department, using the facilities of the Consulate exactly as heretofore. I wish to caution you that the time element is of the greatest importance in this matter. If at any time it should be necessary for you to be absent from Geneva even for a short period Gilbert should carry on as heretofore in your absence. The Department will address telegrams on this subject to you "Care of Amdelgat,[23] Geneva, for Minister Wilson". The telegrams are not intended for the Delegation but for you and Gilbert. This will, however, provide a facility for prompt coordination in the event that the question is brought up at the Disarmament Conference.

I have been proceeding on the suggestion contained in your 13, January 18, 11 a. m., (approved in my 14, January 18, 6 p. m.)[24] which indicated that at that time you did not think it advisable to take up the Manchurian question yourself. I assumed that you would advise me when you thought the time came for a change in procedure.

STIMSON

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[23] American delegation to the General Disarmament Conference.
[24] Neither printed.

793.94/3798 : Telegram

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

PEIPING, February 1, 1932—4 p.m.
[Received February 1—9:30 a.m.]

171. Legation's 151, January 29, 8 p. m.[25]

1. Hanson reports January 31, noon, that local Foreign Office confirmed press reports that Japanese and Chinese troops clashed at Shruanchenpu [*Shwangcheng?*], 51 kilometers from Harbin.

2. That increasing pressure is being brought to bear by the Soviets to permit Russian railway technical staff to aid in transportation of Japanese troops and that Ohashi informed him that Soviets would agree if Chinese railway officials, who are being pressed by Hsi Chia, Japanese protégé, would do likewise.

3. "The board of the railway has protested to the headquarters of the railroad's guard troops against damage being done by other Chinese troops to the railway line and has asked it to take the necessary steps to prevent this. This protest was made evidently to prevent criticism that the railway administration had protested against Japanese activities on the railway only."

4. Hanson states it is still uncertain whether serious resistance will be offered by Chinese forces to Japanese advance.

For the Minister:
PERKINS

793.94/3845 : Telegram

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

SHANGHAI, February 1, 1932—5 p.m.
[Received 6:04 p.m.]

Your January 31, noon. I am informed by Mayor that report is untrue that commander of 19th Route Army has asked Mayor to demand that Settlement authorities disarm Japanese marines. Colonel Hooker informs me that at a meeting of the Defense Committee on January 31st an oral request was made of Japanese representative to cease moving armed forces through Settlement. The representative promised to stop movement of armed civilians, but stated that question of movement of Japanese marines would have to be referred to his superiors. Colonel Hooker states that a reserve line has been established approximately east and west on Haiphong Road in American sector and continued by the British from Settlement boundary to Jessfield Park. I

[25] Not printed.

understand it is not the intention to withdraw to this reserve line at present, but that it would only be withdrawn to [apparent omission] in the contingency that Japanese should use their mills in northern part of American sector as offensive position against the Chinese in case of an attack by either side. Colonel Hooker states that Defense Committee is strongly of the opinion that withdrawal of American or British forces from sector assigned to them would be a most unwise move. Department's January 30, 6 p. m. and my reply January 31, 7 p. m.[26]

2. Colonel Hooker informs me that Defense Committee is preparing a letter requesting Japanese Admiral to give orders to stop patrolling and other armed military demonstrations and to have only sufficient guards in the mills necessary to protect them from inside attempts at injury, and the sector commanders will undertake the protection of the sectors without unauthorized and unrequested assistance from the Japanese.

Repeated to the Legation and Nanking. CUNNINGHAM

793.94/3791 : Telegram

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

SHANGHAI, February 1, 1932—6 p.m.
[Received February 1—9:10 a.m.]

Wellington Koo called quite unofficially and stated that he had been in conference with Chinese municipal authorities in regard to our conference with the Japanese and Chinese. Koo expressed the hope that those powers concerned endeavor to secure the approval of Tokyo to the proposal for the Japanese to withdraw from the tongue. I venture to express the belief that if the approval for the Japanese to vacate the tongue could be obtained from the Japanese Government it would contribute very greatly toward relieving the tension here in Shanghai as the tongue would then be patrolled by neutral troops. Reference to last paragraph of my January 31, 11 p. m.

Repeated to the Legation and to Nanking.

CUNNINGHAM

793.94/3785 : Telegram

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

PEIPING, February 1, 1932—8 p.m.
[Received February 1—3:05 a.m.]

165. Following from Reuter, Nanking, January 31st:

At 8 a.m., this morning the National Government issued an official

[26] Latter not printed.

statement announcing that the seat of government was being temporarily transferred to Loyang (Honanfu) in Honan Province.

The statement recapitulates the Shanghai development and expresses the belief that the Japanese intention is to force the Chinese Government into submission by armed force. However, it says, the Chinese Government will take all possible measures for self-defense and will urge the powers to carry out their treaty obligations. It expresses confidence that the powers cannot sit down and watch humanity and justice trampled on.

General Ho Ying-chin, Minister of War, has been left to carry on here and to defend the city from any attack. The Foreign Minister, Dr. Lo Wen-kan, has also been left to carry on the Foreign Office in Nanking.

For the Minister:
PERKINS

793.94/3844 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 1, 1932—11 p.m.
[Received February 1—7:20 p.m.]

27. Your No. 10, January 31, 8 a.m.[*p.m.*] I called upon the Minister for Foreign Affairs at 3:30 this afternoon and delivered message; at his request I gave him a paraphrase. He indicated entire agreement with the Department's position and said the telegram would help him in attending a meeting of leaders at 4 o'clock to consider the proposal which was discussed at Shanghai January 31st, and reported by Cunningham. British Counsellor here has been urging acceptance of the proposal but decision is still pending. Preparations by Chinese for energetic defense against expected Japanese attacks in different localities continue. Local situation remains unchanged.

Repeated to the Legation and Shanghai.

PECK

793.94/3991

The French Embassy to the Department of State[27]

On January 28th, the British Ambassador in Paris called upon M. Laval, Prime Minister and Minister of Foreign Affairs, to inform him that the Japanese Ambassador in London had let the British Secretary for Foreign Affairs know that very likely the Japanese would have to

[27] Transmitted to the Secretary of State by the French Ambassador, apparently on February 1, 1932.

suppress anti-Japanese movement by the Chinese in the International Settlement. Sir William Tyrrell informed M. Laval that his Government was sending representations to Tokyo and requested that instructions be sent to the French Ambassador in Japan to join in his British colleague's protest.

M. Laval replied that the French Government thought that it was most important to maintain in the International Settlement the solidarity of the interested powers, solidarity which finds its expression and its organism of execution in the consular body and that it was equally important to maintain order by the normal action of the police completed by military forces of defense acting according to the decisions adopted in common by the commanding officers of the various international troops.

Although the Japanese Ambassador in Paris had not taken, up to that date, the same step as the one taken by his colleague in London, instructions were sent by the French Government to the French Ambassador in Tokyo for the purpose of advising the Japanese Government to proceed with moderation and of pointing out the importance that the French Government attached to the international character of the International Settlement of Shanghai and of its means of defense.

On January 31st, the British Ambassador in Paris called again upon the Minister for Foreign Affairs to inform him that his Government, having learned that the Japanese were continuing to use the international concession for their offensive and defensive organization, new instructions had been sent to the British Ambassador in Tokyo to formulate a very energetic protest. The British Government was asking the French Government to send similar instructions to the French Ambassador. The latter was instructed immediately to the effect that if necessary the point of view of the French Government, as outlined before, should be clearly repeated to the Japanese Minister for Foreign Affairs.

The attention of the French Government having been called upon rumours circulated in some American newspapers and according to which the French Government was backing the Japanese Government in exchange of the latter's support at the Disarmament Conference, the French Foreign Office sent a strong denial to the French Embassy in Washington, saying that such rumours are absolutely without the slightest foundation. It is equally false that the French Government has ever given to the Japanese permission to enter the French concession. The French authorities, with the aid of the usual police forces reinforced by French troops are maintaining order in the French concession and protecting the inhabitants without any distinction of nationality. Such defense of the French concession constitutes the main participation of the French Government to the defense of the

International Settlement. Furthermore French authorities are giving their intimate cooperation in the consular body of Shanghai and by means of the deliberations of the international body of commanding officers as to the decisions in view of the protection of the International Settlement.

Besides, the French Ambassador was informed this morning that M. Laval had requested the Minister of the Navy to send the cruiser *Waldeck Rousseau* from Saigon to Shanghai, thus showing the interest that the French Government attaches to the international character of the International Settlement.

793.94/3846 : Telegram

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

SHANGHAI, February 2, 1932—6 a.m.
[Received February 1—10:23 p.m.]

Following urgent message was received from Japanese Consulate General February 2, 1932:

"At the request of Admiral Shiozawa the Japanese Consulate General begs to bring to your notice the following:

'In spite of the truce agreed effective as from January 29, 8 p.m. Chinese troops have continuously attacked Japanese positions more particularly from the evening of January 31 with artillery and rifles. At about 11:30 the same evening one of the cannon shots fell near the Admiral's flagship which is moored alongside of the Japanese Consulate General. On February 1st from 1 to 5 p.m. the Chinese troops near Wangpan Road fired volley after volley with their machine guns and rifles.'

It has become evident that Chinese troops are unceasingly massing their forces with the view to completely surrounding the Japanese. To acquiesce in the situation is to expose the Japanese community to perilous dangers. It is my present plan to use some aeroplanes for reconnaissance in order to ascertain the situation as our apprehension seems to be momentarily substantiated."

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4016

Memorandum by the Under Secretary of State (Castle) of a Conversation With the Counselor of the French Embassy (Henry)

[WASHINGTON,] February 2, 1932.

M. Henry telephoned me to say that they had a telegram stating that the British Ambassador in Paris had called vigorously to the attention of M. Laval the situation in Shanghai, especially as to the Interna-

tional Settlement. The British Ambassador was very strong in his remarks about the way the Japanese were using the Settlement. He asked M. Laval, therefore, to make another protest to the Japanese and M. Laval sent a very strong telegram to the Ambassador in Tokyo, instructing him to inform the Japanese Government that the French Consul in Shanghai had been told to keep in very close touch with his colleagues in the International Settlement during the present crisis. The Ambassador was also instructed to say that the French Government considered it imperative that the Japanese naval administration should be told under no circumstances to use the Settlement as a base.

W. R. CASTLE, JR.

793.94/3886 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 2, 1932—11 a.m.
[Received 12:40 p.m.[28]]

67. Department's 32, January 30, 5 p. m.

1. Olds, representing Yen, called on me this morning and asked me if there had been any change in regard to Washington's attitude respecting the Nine-Power [Treaty?]. Inasmuch as an inquiry from China in this respect did not seem entirely applicable to the policy expressed in the Department's telegram under reference I based my reply again upon the position described in the Department's 29, January 27, 6 p. m., only discussing with Olds in a general way the advantages seen in a support on the part of Council members of the American position as set forth in its identic notes of January 7. I am making the foregoing clear to the Department as Olds told me that Yen had received further telegrams from the Chinese Chargé d'Affaires in Washington conveying his interpretation of more recent views which he said had been expressed to him in the premises by officers of the Department. I handled the matter with Olds as I have stated in order to avoid any possible confusion arising from the continual inquiries which the Chinese seem to be putting forth on this point both in Washington and with me.[29]

Olds informed me that he felt if the Nine-Power Treaty be invoked it should be done by the complaining power, i.e., China. He said that Yen had telegraphed his Government "to renew its study of the question." Olds is somewhat inclined to think that if the situation does not ameliorate China may invoke the treaty within the next few weeks.

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[28] Telegram in two sections.

[29] In reply to this telegram the Secretary of State instructed the Minister in Switzerland at Geneva in telegram No. 4, February 2, 6 p.m., that "Department's No. 29, January 27, 6 p.m. still stands."

3. There has been so much in the atmosphere here in Geneva concerning the Nine-Power [Treaty?] that I thought it well to obtain if possible some light on the situation provided I could do so without making any reference whatsoever to American policy either as expressed in the Department's telegram under reference or in any previous telegrams. I found the opportunity to do it this morning in the course of a conversation I had with Drummond on an entirely different matter. I incidentally obtained from him in this manner certain information and likewise an expression of his views on this question which I think the Department may find useful in a consideration of its position should the question of an invocation of the treaty be brought directly before it. (Note Consulate's 35, January 26, 4 p.m., paragraph 4(2).)

4. Drummond disclosed to me that a few days ago he had placed before the representatives of Great Britain, France and Italy the question of the Nine-Power Treaty merely to obtain their views and without advocating any course. He said that these representatives saw in its invocation a great advantage in that it provided a specific means for the collaboration of the United States with the other powers which did not exist at present. On the other hand they feared that Japan could in perhaps obvious ways, and also in ways that might not be foreseen, take advantage of the double jurisdiction thus created to confuse the issue and perhaps to escape from some of its present commitments. In particular the League authorities do not wish to lose the advantages which are now afforded under article 15 of the Covenant to conduct investigations without, if necessary, the assent of Japan. The consensus of opinion was that an invocation of the treaty at the present time is undesirable. What other preoccupations these powers may have had in reaching this conclusion is naturally a matter of speculation.

5. Drummond is of course cognizant of the fact that China is giving consideration to invoking the treaty. Taking as a basis that China decides to invoke the treaty, Drummond feels that the procedure followed in its invocation might become a matter of great importance. Although the implementing of the treaty does not necessarily involve the calling of a conference he believes that to accomplish any tangible results a conference would be essential. If a conference were not called Japan might merely state her willingness to enter into "full and frank communication" with the powers (which she has already declared she would do with the Council) and the situation would be no further advanced. I have reason to believe that in his conversations with Yen Drummond is advising Yen that if China decides on her own responsibility to invoke the treaty that China suggest at the same time that the

presence of the representatives of the various powers in Geneva afforded an opportunity for their meeting in Geneva which would not only serve the purpose of an immediate and convenient place of meeting but lend effect in a coordination between the efforts of the powers party to the treaty and that of the League. I believe, however, that the general line Drummond is taking with Yen is with a view to dissuading China from invoking the Nine-Power Treaty at least at the present time.

GILBERT

793.94/3987

The Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation [31]

[NANKING,] February 1, 1932.

Information has been received that the foreign press has been circulating freely that the Chinese National Government is preparing to declare war upon Japan. Such reports are entirely groundless. China has not declared war upon Japan, but is only exercising her right for self-preservation and of her sovereignty. While Japan has been relentlessly pursuing her policy of violence and aggression, China faithfully adheres to her obligation she has assumed under Covenant, Paris Pact and Nine Power Treaty. In face of persistent and merciless attack from the Japanese, the Chinese Government has been compelled to adopt necessary measures for self-defense. So long as the Japanese forces refrain from violent and aggressive acts against China, the Chinese Government will not take any action hostile to them.

793.94/3986

The Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation [31]

[NANKING,] February 2, 1932.

The Japanese warships at Shiakwen, Nanking, on February 1, at 11 o'clock p.m., suddenly bombarded Nanking without warning. Eight shots were fired and by the use of searchlights, they made several hits on the Lion Hill Forts, Shiakwen Railway Station, Pei-Chi-Ko, Tsin-Lian-Shan, and Mo-Fu-Shan. In the meantime, machine guns and rifles were also brought to action by the Japanese. This was continued until after midnight, when firing ceased. Desirous to avoid collision, the Chinese troops refrained from returning fire.

[31] Copy of telegram transmitted to the Chief of the Division of Far Eastern Affairs by the Chinese Chargé under covering letter dated February 2.

At this juncture when the Chinese nationals are in high indignation against the Shanghai ruthless attacks perpetrated by the Japanese, in defiance of the decision of the League of Nations, the Nine Power Treaty, and the Kellogg Pact, the Japanese, to aggravate the situation, again bombarded the Chinese National capital without any provocation.

The Chinese National Government has made to the Japanese a solemn protest and reserved all rights for appropriate demands in future.

793.94/3850½

Memorandum of Trans-Atlantic Telephone Conversation[32]

SECRETARY: Good morning, Sir John, I wanted to talk with you about something which came up about the situation so that we will not get, by any possibilities, at cross purposes.

SIR JOHN: We are very anxious to keep in step with you.

SECRETARY: We are very anxious to keep in step with you too. I have received word from our Ambassador in Tokyo of the conference which your Ambassador and he had with Yoshizawa this morning[33] and I consider that it is a pretty favorable situation up to date, I mean so far as the Government is concerned.

SIR JOHN: We have a report; would you like to know what it is? Our report is that your Ambassador, the French Ambassador and our man handed a note to the Japanese Minister for Foreign Affairs, and the Japanese Minister for Foreign Affairs said that the first four points seemed to him personally acceptable and that he would consult his colleagues, but that the fifth point was not acceptable at all.

SECRETARY: Yes, I got the same report. I want to go on from that point. We consider the fifth point is very important in that it wipes up the possibility of future trouble. Without it, the President feels that there would be an immediate recrudescence of trouble in some other point, but the situation will probably develop itself automatically so that we will know better further on how to treat it. We agree with you that the first four points are very important.

SIR JOHN: Yes.

SECRETARY: Let me give my idea of what they seem to me to accomplish if they are carried out. I think they would control the situation in China proper apart from Manchuria and it would seem to mop up the situation there. The agreement not to have any further mobiliza-

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[32] Between Mr. Stimson in Washington and Sir John Simon in London, February 2, 1932, 1:05 p.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

[33] See telegram No. 34, February 2, 9 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 175.

tion or preparation for any further hostilities is a promise which we could probably check up on.

SIR JOHN: What did you say about that agreement. That is point two.

SECRETARY: I think that is a good covenant because I think we could watch it and it could not be easily evaded.

SIR JOHN: No, not evaded, but our information is that it is feared that the Japanese troops may be on the move.

SECRETARY: Well now, I wanted to give you my views about that. Yesterday, after I had talked to you, the Japanese Ambassador in Washington came to me and repeated the request for good offices which had been made in Tokyo. He came under instructions of his Government and that seemed to me to confirm what I had believed to be the fact before, although it depended only upon a single interview that the Government was seriously considering the situation which it had been placed in by an unwise naval movement and that the Government probably did not want to proceed with an expeditionary force. At any rate here was a repetition of an appeal for good offices.

SIR JOHN: Well, they came and made a similar appeal to us about five or six hours ago through the Japanese Embassy here. Before we gave our good offices, I said what is this I hear about the possibility of Japanese troops being embarked and sent across to Shanghai and he replied that his Government was complaining that the Chinese were continuing to fire and that they were calling out forces and bringing down airplanes. If this went on they would have to transfer troops from Japan to China in order to deal with this situation and I said that America and ourselves and I thought the other Powers were all taking this step because Japan had asked for our good offices and there most certainly ought not be any sending of troops from Japan when we were——

SECRETARY: I said the same thing when the matter came up here. I agree with you. There is another point. Of course it is very confusing and conflicting evidence. I am trying to make my best inference from that mass of tangled facts. Another fact which indicates conservatism on the part of the Japanese Government is the appointment of Nomura, the Admiral in command at Shanghai now. Our Navy here have a very high opinion of Nomura as a liberal man.

SIR JOHN: When was he appointed?

SECRETARY: He has just been appointed; just announced today. He is very well known as an Admiral there and our Navy have great confidence in him and our State Department knows his reputation well as one of the most liberal minded men in the Navy and he will have, they believe, a very restraining and conservative influence.

SIR JOHN: What is he appointed to do?

SECRETARY: Command at Shanghai.

SIR JOHN: To take the place of the Admiral now there?

SECRETARY: Yes. They have also reorganized the general staff of the Navy by appointing Prince Fushimi to take the place of [Taniguchi?].

SIR JOHN: What has he been appointed as?

SECRETARY: He has been appointed Chief of the General Staff of the Navy.

SIR JOHN: Is that just special for Shanghai?

SECRETARY: No, that is a special reorganization. This new man is the cousin of the Emperor and it is supposed here to be a step to take better control of the naval situation. It is all supposed to work in the direction of aiding people out in the Far East.

SIR JOHN: The Japanese Admiral who has been in command is most unwilling himself to have a neutral zone or to give up any of his military operations and this may mean that there is going to be more cooperation.

SECRETARY: Our people here think there is going to be a very beneficial change. That confirms another point that has been my inference from my cables. I think that a great deal of the so-called fighting which has taken place, such as the recent shooting at Nanking and the shooting of the various naval vessels comes from the lack of self-control of the individual commanders of vessels and of small groups. It does not indicate the same concerted plan that we have found existed in certain army movements that we dealt with in Manchuria. I have conservative evidence which I shall not try to go into on the telephone, but that is my impression now. For instance, there has been a great deal of fighting in Shanghai reported by the press as outbreaks of fighting, but which my Consul General reports to me is the action entirely of uncontrollable civilians who have been armed and cannot be controlled. Mr. Cunningham, our Consul General, reports that the truce, so far as the regular forces on both sides is concerned, is still in operation.

SIR JOHN: Oh, he does. I am very glad about that.

SECRETARY: We are very glad about that too.

SIR JOHN: That is very interesting because we have not had such a favorable report about that.

SECRETARY: I may be wrong, of course, I am judging at long distance but I am giving you the inference I get from the general drift of cables I have received. I wanted to make clear our position that we do regard that point five as very important.

SIR JOHN: You don't?

SECRETARY: We do, and we don't want to give it up but I think the matter is a matter to watch the development as it comes along and I

want to say that I think we should make sure of the first four points. Now I think that what will probably happen is that the Chinese will insist on the fifth point.

SIR JOHN: We expect that China will say that she accepts them all.

SECRETARY: So do we.

SIR JOHN: That will rather put Japan in the wrong. China has accepted what we proposed and Japan has refused it and Japan will probably say that, as regards the first four points, China is not stopping the fighting and is bringing up reinforcements.

When the Japanese Ambassador came to see me earlier today he came to complain that the Chinese were, he said, bringing up reinforcements from Nanking and moving airplanes from the north through Manchuria to get them down towards Shanghai and he considered this as a reason why Japan [. . . [34]] to Shanghai. That was his story.

SECRETARY: Yes, we have had that story too, but it is an old story and I have not heard anything of it for a day or two. An agreement to this would stop it, of course, I mean if carried out would stop it and they cannot expect it to be stopped until they make the agreement.

SIR JOHN: No, that is true, and also if a change comes on, and time itself is some gain, they will probably know that the United States and Britain are hand in hand.

SECRETARY: Yes, well more than that. Our report is that the French Ambassador also joined in these representations this morning.

SIR JOHN: Yes, I have the same report—instructions are pretty thick—but they are very anxious that we should not use any threatening language.

SECRETARY: In giving out my statement to the press here I have put it solely on the proposition for good offices which had come to us from both sides, a similar proposition from China as well as Japan, and I put it in the most conservative and conciliatory language possible in answer to their request. There have been so many different reports on that; some of the worst of them come from Geneva.

SIR JOHN: Yes, I am afraid that is true. The Prime Minister wants to know, Mr. Stimson, when you think you are likely to be coming to Geneva.[35]

SECRETARY: Sir John, you can imagine from what you and I are talking about that I shall not be able to get away from here for any definite time and I am already tied up here for the present and I have no plans whatever for going abroad.

SIR JOHN: But you will appreciate how very anxious the Prime Minister is about it.

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[34] Apparently poor telephone connection at this point.

[35] Mr. Stimson was chairman of the American delegation to the General Disarmament Conference at Geneva.

SECRETARY: All I can say is that I am tied down here indefinitely at present and, on the other hand, if in the course of the next five or six months a situation should come up abroad where I could be of real use I should endeavor to come, but at present it is impossible.

SIR JOHN: Mr. Stimson, have you yet received the news, for which we are very sorry, that the Prime Minister has to have an operation?

SECRETARY: I have received it and I am sending a message today.

SIR JOHN: We are assured that it is not really a serious operation, except all operations to the eyes are serious, and he expects to be laid up for not more than a fortnight. I shall have to tell him that you don't have any clear prospects of getting across to Geneva.

SECRETARY: That is true.

SIR JOHN: Who is going to be there for the United States?

SECRETARY: Ambassador Gibson.

SIR JOHN: I suppose he will be available there.

SECRETARY: Gibson has represented the United States at all the preparatory conferences and is fully conversant with the situation.

SIR JOHN: I see, he will be your man who will be there all the time.

SECRETARY: He is the Acting Chairman of the Delegation. Just let me make clear about any further steps in regard to these negotiations that we are talking about with regard to China and Japan. Our feeling is that for the present, at any rate, we stand pat on the five propositions. We will have to know what the situation develops, but we think the fifth point is so important and we think there is such a chance that the Japanese will accept a large part of it anyhow that we want to wait and see.

SIR JOHN: I was a little troubled. If the United States will stand pat on the five propositions we won't agree that four will do as well as five.

SECRETARY: We will take the same lines.

SIR JOHN: If we can get any practical results on one, two, three or four it will be a very good thing.

SECRETARY: That is very true. I wanted you to remember one more thing that the Japanese Ambassador in London, Mr. Matsudaira, has particularly good relations with the Japanese Government.

SIR JOHN: Yes, I am informed, with the Emperor's family.

SECRETARY: Yes, that is what I mean.

SIR JOHN: He is not here now, he is in Geneva. I think I shall have to go to Geneva. I must put in an attendance there and will see Matsudaira.

SECRETARY: Yes, it is very important that he should be kept in touch with these negotiations because in December he was very useful

and very helpful and we all have confidence in him and he offers a very good channel for the medium of negotiations.

SIR JOHN: Both Matsudaira and his second in command, Saito, are both in Geneva and their First Secretary is looking out for the Embassy here.

SECRETARY: I see, that is too bad. That gives us the situation as we sum it up and I am very much interested to hear you and if anything more comes up we are entirely as one in everything you said and we mean here to keep strictly in line with you and to work together.

SIR JOHN: I am glad to hear it and we have exactly the same intentions as regards you. This afternoon I made a statement to be given to the press of that idea and the British cooperation with America was warmly received.

SECRETARY: I am very glad and the same feeling was prevalent here and we have the same intention so far as cooperation with you is concerned.

793.94/3894 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 2, 1932—4 p.m.
[Received 8:10 p.m.]

70. In public session just concluded, called at request of British Delegation, the Council resumed consideration of the Sino-Japanese dispute.

[Here follows a report of the meeting; for minutes, see League of Nations, *Official Journal*, March 1932, pages 350–353. The British representative reported on the concerted action being taken by Great Britain and the United States in making representations at Tokyo and Nanking and stated that his Government was satisfied that this action would "receive the approval and support of their colleagues."]

8. The meeting closed with the following statement by the President:

"At the conclusion of this meeting I desire to make two statements: First of all, with regard to local events, the Council is bound to await the report of the committee which has been set up at the request of the Council and for which a credit has just been voted; secondly, as regards the general object of this meeting, the proposal of the British representative has been supported by representatives of several other countries. The object of the proposal is to associate the authority of the Council with the steps that have been taken by the different countries for a pacific settlement of this question. Having accorded that authority I hereby declare the meeting closed."

GILBERT

793.94/3896 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 2, 1932—5 p.m.
[Received 8:15 p.m.]

28. My [27,] February 1, 11 p. m. Rifle shots were only along the water front near the hulk at which was moored the steamer housing the Japanese Consul. American destroyer *Simpson* was anchored about 600 yards distant between this and the Japanese naval vessel. Rifle fire was followed by machine-gun fire and 1 minute later by fire toward shore of 3-inch gun from above-mentioned Japanese naval vessel. Intermittent firing of gun on naval vessel continued for about 20 minutes. Japanese have today insisted that guns on Lion Hill fired three shots toward Japanese vessels, but the Chinese deny this. Chinese assert shells landed on Lion Hill and elsewhere in the city. Fragments were exhibited to me. Apparently no damage was done, but shots caused great alarm because they showed what may be expected at any time while the Japanese vessels remain in the harbor and the present tension exists regarding origin of the incident. The Japanese assert that a bomb was thrown by Chinese onto the Japanese dock seriously wounding a sentry whereupon ship fired blank shots and subsequently shells to restore order, while the Chinese suspect a deliberate plot to embroil the Chinese in combat. The Consulate General explained the situation to a meeting of representative Americans today indicating belief that similar incident probably will happen again if the present situation continues. Over 30 American women and children will evacuate tomorrow. Chinese generally apprehend some hostile Japanese action and thousands are leaving the city. The Chinese authorities continue to assure the Consulate General that they will not take the initiative in the attack and that order will be maintained.

Legation informed.

PECK

793.94/3872 : Telegram

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

SHANGHAI, February 2, 1932—7 p.m.
[Received February 2—7:55 a.m.]

My telegram of January 31, 11 p. m. At 2:15 this afternoon I received oral communication from Japanese Consulate General that instructions had been received from Tokyo that the proposal made at the meeting on Sunday, January 31st, could not be accepted. Truce

appears to be broken as heavy firing began shortly after 2 o'clock. Japanese Consul General denied to me over telephone that truce broken stating that Japanese had been attacked and were only replying. Japanese aeroplanes have been in the air since 2 o'clock.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3895 : Telegram

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

NANKING, February 2, 1932—7 p.m.
[Received 7:58 p.m.]

Your 12, February 1, 3 p. m. to Peck. British Counselor of Legation in Nanking had not received instructions relative to the proposal for cessation of hostilities but Peck delivered the note in the manner directed. The Minister of Foreign Affairs read the note with evident gratification and asked Peck to say that he appreciates the friendly spirit in which the proposals for the cessation of hostilities are made by the American Government and that the Chinese Government will give the proposals immediate favorable consideration. He said that of course a written reply would be sent at the earliest possible moment but it will be necessary to refer the matter by telegraph to members of the Government who are in Loyang. Neither the French nor German Legation representatives here have received any instructions regarding the proposals. Peck has subsequently been informed over the telephone by Vice Minister Quo Tai-chi that a reply is even now in preparation accepting the proposals without reservations.

JOHNSON

793.94 Commission/60 : Telegram

The Acting Chairman of the American Delegation to the General Disarmament Conference (Gibson) to the Secretary of State

GENEVA, February 2, 1932—10 p.m.
[Received February 2—9:49 p.m.]

5. From Wilson. Gilbert's 69, February 2, 2 p.m.[37] Drummond has received reply from Shanghai which omits the names of members of Commission but states that first meeting was held this afternoon and that all members are Consuls General and that Italian is also Chargé d'Affaires.

GIBSON

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[37] Not printed.

793.94/3898 : Telegram

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

NANKING, February 2, 1932—11 p.m.
[Received February 3—2:50 a.m.]

Your 12, February 1, 3 p. m. [to Peck.] I arrived Nanking this afternoon and saw Minister of Foreign Affairs 5 o'clock to whom Peck had just delivered Department's message.

Lo showed me fragments of shells which he stated had fallen on Lion Hill and on Pei Chi Ko where Soong has house.

Saw Soong this evening. He said American note gives them hope although he does not believe Japanese will accept. He expects to go to Shanghai tomorrow to persuade bankers to give him money.

French Minister received his instruction about 8 p. m.

JOHNSON

793.94/3890 : Telegram

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

NANKING, February 2, 1932—midnight.
[Received February 2—10:47 p.m.]

Your telegram No. 12, February 1, 3 p. m. [to Peck.] Text of the Chinese reply received by me at 11:30 p. m. is as follows:

"Waichiaopu, February 2, 1932.

Excellency: I have the honor to acknowledge the receipt this afternoon of Your Excellency's note of today's date communicating from the American Government to the National Government of China the 'proposal of the powers for cessation of conflict.'

Actuated by sincere desire to observe strictly the obligations of such international agreements as guarantee world peace and the sovereignty, independence, and territorial and administrative integrity of nations, the National Government of China accepts the proposal presented by the powers as contained in Your Excellency's note. The National Government, however, desires to point out that the terms 'neutral zones' used in the fourth paragraph in the present situation [omission?] so far as China is concerned and wishes to suggest that these terms be changed to 'peace areas' and 'third powers', respectively.

I avail myself, et cetera. (Signed) Lo Wen Kan."

JOHNSON

793.94/3905 : Telegram

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

SHANGHAI, February 3, 1932—2 a.m.
[Received 3:15 a.m.]

[1.] Following is text of first four paragraphs of formal protest by

Defense Committee against certain activities by the Japanese naval landing party. Protest is dated February 2 and addressed to the British Consul General, Italian Chargé d'Affaires and myself and is signed by all members Defense Committee except Japanese.

"(1) In the international defense scheme, to which the commander of the Imperial Japanese Naval landing party agreed, is included the following:

'It has been further agreed to divide the International Settlement and its vicinity into sectors, the commanders of which shall be responsible for assisting the police to maintain law and order for the protection of foreign lives and property, within the limits of their respective sectors.'

(2) Largely to meet the views of the Japanese Commander, the following safeguarding paragraph was added:

'No proceedings of the Defense Committee shall prejudice the right of any garrison commander to communicate and consult with his national, consular, or naval authorities present, nor prevent his independent action should he consider such necessary to conform with police regulations from higher authority. In case of independent action he will, however, inform the Chairman of the Defense Committee.'

Particular attention is directed to the last sentence.

(3) When the defense scheme was drawn up, it was recognized that the individual foreign garrison commanders in Shanghai could not on their own authority agree on any comprehensive scheme. The form of agreement, therefore, contained the qualifications 'subject to confirmation and superior authority'.

[(4)?] At a meeting held on Friday, 27th November, 1931, specially [*called?*] by the Chairman of the Shanghai Municipal Council, to discuss what action should be taken in the event of serious complications arising out of the Sino-Japanese situation in Manchuria, Baron Shibayama, then commander of the Japanese naval landing forces, stated that he concurred in the defense scheme, subject to approval by his commander in chief. The latter had referred to Japanese Government and at the time no reply had been received. He would, however, act in any emergency in accordance with the provisions of the scheme. Here again, particular attention is called to the last sentence.["]

2. Following is résumé of remaining paragraphs of protest.

The members of the Defense Committee protest against activities of Japanese landing party in sectors other than their own. These activities are:

(*a*) Posting of detachments in mills out of proportion to requirements of security;

(*b*) Active patrolling. The Defense Committee states it is impossible from a military point of view for two or more individuals to control action in any one area particularly when any one fails to notify the others.

Protest states that activities complained of apart from causing the ill-feeling between nationals lead to formulation of Chinese opinion against foreigners generally. Feeling by British and American troops

and volunteers is acute and if such practice continues [it will be?] impossible to guarantee restraint by lower ranks who cannot be expected to maintain calm judgment for prolonged period in face of extreme provocation. Protest concludes by stating that no serious situation has arisen in British or American sectors involving loss of Japanese lives or damage to property and that patrolling which is being carried out by Japanese is entirely unnecessary in the circumstances; also that emphatic protests have already been made to Japanese commander without any result up to date.

3. Attached to protest is annexure of five points as follows:

(1) Presence in mills in American sector north of Penang Road of at least 500 Japanese marines with not less than 12 machine guns. The approach of this force is definite infringement with regard to defense and a direct indication that Japanese intend to use this force offensively taking advantage of ability to maneuver in International Settlement.

(2) On January [*February?*] 1st, in British sector, two unarmed Chinese coolies bayoneted by Japanese marines witnessed by municipal police Shanghai.

(3) Barricade with two machine guns trained on Chapei in American sector close to United States marine post. Japanese official in charge intimated that United States marine post was in line of fire of Japanese machine guns and Americans must move.

(4) Daily passage of Japanese lorry patrols past headquarters of American marines with rifles and machine guns pointed at marines.

(5) Wanton shooting of two Chinese boys on evening February 1st apparently in Italian sector. (End of protest.)

4. Protest was communicated by me today to Japanese Consul General and I urged him to bring it to the attention of commander in chief of Japanese Navy in Shanghai at earliest possible moment.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/3915 : Telegram

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

SHANGHAI, February 3, 1932—3 a.m.
[Received 6:47 a.m.]

Refugees continued to pour into the Settlement all day. The Hongkew and Yangtzepoo districts are being rapidly evacuated. Despite the fact that a truce was supposed to prevail, sporadic rifle and machine-gun fire continued throughout the day. At 12 o'clock the [Hongkew] and Yangtzepoo districts were closed. Aeroplanes began to reconnoitre Chinese positions at 2:10 p. m. without any cause, firing occurred between heavy guns on the Japanese ships and fieldpieces

ashore near the rifle butts in an attempt to smash a Chinese battery located near Markham Road. During the last 2 days no effort has been made by police to patrol sections of Settlement under rifle and machine-gun fire from the opposing sides. For the first time since Japanese forces seized control of the Chapei and neighboring districts, *Ronins* took over command of the area usually patrolled by the Municipal Council police from Hongkew station. These armed independent civilian Japanese patrols continued to hold up pedestrians in the Hongkew district. These irregulars, as well as the Japanese marines are still treating the terrorized civilians practically with little or no consideration, bayoneting or shooting with little compunction. There is no doubt that the Japanese are being subject to almost continuous attack by snipers, a gun nest on the top of a building on Seward Road having been smashed by the Japanese last night. It is assumed that there are no less than 60,000 refugees in the Settlement.

The Japanese have no less than 10 headquarters located throughout the Hongkew and Yangtzepoo districts. The Japanese naval marines maintain no less than 38 machine guns.

The 19th Route Army of some three divisions, numbering 30,000 strong, are scattered between Shanghai and Soochow. The Chinese residents of Shanghai are showing a good deal of patriotism in coming to the assistance of the Chinese Army in their defense against Japanese invaders. Special patriotic societies contributing money and food supplies to assist the Chinese soldiers. An anti-Japanese "dare to die" corps has been formed to support the 19th Route Army. Various anti-Japanese patriotic societies are being formed. Some of these are now functioning for defense purposes. These societies are issuing circulars exhorting the people to come to the defense of the country.

All Chinese banks remained closed but were expected to be opened on Wednesday. [Apparent omission] Chinese bankers, the breaking of today's truce may influence them to remain closed. There is a great demand for silver and most of the Chinese bank notes are discounted anywhere from 10 to 20 percent.

Although they declare in [*that?*] the Japanese mills are out of work, so far no major labor disturbances occurred.

As a result of the fighting Chapei, all hotels and lodging houses in the Settlement and French Concession are packed with refugees. The increase in charges has been 100 percent.

The American Saint Luke's Hospital in the Hongkew district was given considerable trouble by the Japanese patrols today, who insisted on entering the hospital and searching for snipers. They also prevented the hospital nurses and cooks from coming to their duties to

the hospital from their homes nearby. This matter was subsequently adjusted by this Consulate General. Further fighting is expected.

Repeated to the Department, the Legation and Nanking.

CUNNINGHAM

793.94/3927 : Telegram

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

SHANGHAI, February 3, 1932—11 a.m.
[Received 7:55 p.m.]

Firing between Chinese and Japanese forces in Chapei district continued sporadically throughout last night, the guns opening up in earnest about 9 o'clock this morning. Shells fell near Japanese headquarters at the end of Szechuan Road. Japanese field guns on municipal rifle range returned Chinese fire. Artillery duel accompanied by heavy rifle and machine-gun fire. At 11 a. m. the Japanese cannonading ceased while squadron of Japanese airplanes reconnoitred Chinese gun positions.

According to last report this morning American marines in American sector discovered Japanese civilians signaling Japanese planes, using direction panels. In other words Japanese planes were being directed from neutral Settlement territory. Late this afternoon Japanese cotton mills in both American and British sectors were taken over from the Japanese by American and British marines respectively. Several shells fell in International Settlement, one in French Concession wounding a Chinese. This fire from the Japanese battery on the Chinese position continued until this evening when it was represented that the Japanese had moved to the west of the railroad.

Japanese announced about noon that three destroyers had been fired upon by the Woosung forts. Chinese military officials deny that Woosung forts had fired first; and insisted that fort commander had orders not to inaugurate hostilities. They were confident that if any hostilities were started they had been begun by the Japanese. It was reported later that Woosung forts were bombed by an airplane squadron. At 7 o'clock the Japanese Consul reported that Woosung forts had been totally destroyed.

Refugees continue to pour into the Settlement. Fires either from ship or started by incendiaries continue. Yesterday a large valuable Chinese library was bombarded.

The Chinese bankers have decided to open the banks tomorrow; rice and other shops will also open.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/3904 : Telegram

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

SHANGHAI, February 3, 1932—1 p.m.
[Received February 3—6:47 a.m.]

The Legation's telegram of January 30, 5 p. m.,[37a] and further reference to the Department's January 29, 6 p. m. and my reply of February 1, 11 a. m.

At the meeting on Sunday, referred to in my January 31, 4 p. m., and January 31, 11 p. m., the Japanese Consul General said that the Hongkew area "meaning doubtless the area in the tongue" had been occupied because there were a large number of Japanese residents there and the Japanese authorities had reliable information that the Chinese in that area intended to attack them. The Mayor replied that this was in Chinese territory and it was for the Chinese authorities to maintain peace and order there; that delegation of this duty to the Japanese Navy could not be justified. The Mayor asked whether this area was assigned to the Japanese defense forces by the International Defense Committee. Discussion followed concerning whether the Japanese occupation had been explicitly approved by the Defense Committee. The Japanese Consul General and Japanese Admiral stated that the Japanese forces were authorized by the Defense Committee to protect the north and east side of the Settlement and also break down area as was necessary for the protection of foreign nationals. The British Consul General stated that neither he nor the American Consul General could accept the foregoing opinion as a correct statement of the position; that there was vagueness in the defense scheme and it would not do to press the point; that the Defense Committee did not define exactly what military measures had to be taken and it was left to each force to decide what from a military point of view were the measures necessary in that particular situation. The Japanese Consul General stated that the Japanese were not ordered by the Defense Committee to occupy the area they did. The Japanese Consul General and Admiral emphasized that the responsibility for the occupation rested entirely with the Japanese authorities and they were not seeking to share responsibility with any one else not for "one hour as a temporary measure". See also my telegram of February 3, 2 a. m. quoting first four paragraphs of protest of Defense Committee.

2. In the light of this information and in view of subsequent developments it is my opinion that the Japanese military act[ed] on the night of January 28 with intention to overawe the Chinese for the purpose of carrying out their private purpose and that the statement

[37a] See telegram No. 158, January 30, 6 p.m., from the Minister in China, p. 117.

that their action was a part of the general defense scheme of the Settlement, while possibly technically correct, was in reality not their principal purpose.

Repeated to the Department and Nanking for information.

CUNNINGHAM

793.94/3901 : Telegram

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

SHANGHAI, February 3, 1932—2 p.m.
[Received February 3—6:17 a.m.]

Japanese Consulate General states that at 5:30 a. m. today when three Japanese destroyers [were?] passing Woosung forts on the way to Sasebo they were fired upon by forts. Fire was returned. Japanese Consulate General states Japanese arranging to occupy Woosung forts.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/3903 : Telegram

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

NANKING, February 3, 1932—3 p.m.
[Received February 3—7:45 a.m.]

My February 2, midnight. Minister of Foreign Affairs handed me this morning a further note, dated February 3rd which reads as follows:

"Excellency: Referring to my note of yesterday's date replying to the 'Proposal of the powers for cessation [of] conflict,[']' I have the honor to add that, inasmuch as the powers are vitally interested in the situation in the Far East, not only in the general interest of peace, but in the interests of the sanctity of international agreements guaranteeing the sovereignty, independence and territorial and administrative integrity of China to which they are parties, the National Government of China earnestly hopes that the powers should be present in the forthcoming negotiations as participants rather than as observers.

I avail myself, et cetera."

JOHNSON

793.94/3916 : Telegram

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

SHANGHAI, February 3, 1932—4 p. m.
[Received February 3—9:15 a. m.]

Standard Oil Company and Texas Company having [*have?*] received inquiries from Chinese military concerning sale to them of aviation gasoline for delivery at Hungjao Airdrome, Shanghai, and also at Hangchow, Chekiang. British Consulate General has informed me that British Oil Company has received similar inquiries but British Consulate General considers it most unwise at the present time and has so informed British Company. British Consulate General considers that sale of gasoline to Chinese military would be unwise as Chinese might not hesitate to drop bombs in the Settlement by accident in retaliation for Japanese aerial attacks, or for purpose of destroying Japanese base or other Japanese property. British Consulate General states it will inform British Oil Company that it cannot fill such orders at the present time, but has no objections to sale of gasoline to foreign interests [after?] seeking authorization from Foreign Office.

I do not wish to restrain the American firms, but wish to inform the Department as to the dangers in the situation as expressed above. Furthermore, it would probably be provocative of an attack should it become known to the Japanese that large quantities of aviation gasoline were in the hands of the Chinese military.

I should dislike to interfere in any way with the commercial aviation particularly the China Airways which is very useful means of communication. It should also be kept in mind that American companies are in greater favor with Chinese military and naval aviation circles than are British or Russian companies. Also even if British and Americans refuse supplies this would, if stock available, inure to benefit through the Russian companies.

It is understood that British and American oil companies have sold fuel oil to Japanese naval vessels in Shanghai.

The Department's instructions will be appreciated.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/3931 : Telegram

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

PEIPING, February 3, 1932—4 p.m.
[Received 8:58 p.m.]

189. Legation's 186, February 3, 1 p. m.[38] Following from Harbin:

"February 3, 10 a. m. 1. Situation at and near Harbin unchanged.

2. Yesterday Japanese military demanded from the railway board 10 trains to be used in transporting Japanese troops from Anganghsi to Harbin. Soviet side agreed but Chinese side refused despite open threats of Japanese military. Traffic on western line has been stopped presumably by Chinese military, leaving only eastern line open.

3. General Li Tu is now commander in chief of all organized Kirin troops.

4. Ohashi states that he has received a telegram from Honjo regretting that Japanese Army has been so slow in reaching Harbin."

For the Minister:
PERKINS

793.94/3892 : Telegram

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

TOKYO, February 3, 1932—5 p.m.
[Received February 3—6:58 a.m.]

37. My telegram No. 34, February 2, 9 p. m.[39] We urged the importance of an early decision. Today we are informed the Foreign Minister has visited Prince Saionji and cannot return until late tonight, and will give answer tomorrow morning. This indicates the momentous nature of the decision.

I feel I should have laid greater stress upon importance Yoshizawa gave to the idea of the Shanghai proposition regarded as distinct from movements affecting other parts of China.

It is confirmed that Admiral Nomura has been placed in charge of the Third Fleet, to be composed of ships operating in China waters.

The indications are that the Government has definitely decided to send a division of land forces to China, to a destination other than Shanghai. This information was given the newspapers last night but a ban was placed upon their publication or sending out by cable. Twelve days required to move the troops.

We are getting no direct reports from Shanghai. Would appreciate your instructing Cunningham to give us authoritative statements outstanding events such as reach the British Embassy here.

FORBES

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[38] Not printed.
[39] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 175.

793.94/3892 : Telegram

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

WASHINGTON, February 3, 1932—noon.

35. Your 37, February 3, 5 p. m., last paragraph. The Consul General at Shanghai has been instructed in accordance with your request.

The Department requests from you fuller and more frequent reports, if possible, of events and opinion in Tokyo.

STIMSON

793.94/4012

Memorandum by the Under Secretary of State (Castle)

[WASHINGTON,] February 3, 1932.

The British Ambassador came in with a memorandum of the instructions sent the British Ambassador in Tokyo strongly to protest to the Japanese Government against the actions of the Japanese forces in the International Settlement in Shanghai interfering, as they have been doing, with the regular police assigned to the different sectors. He said that he very much hoped that the American Government would follow with a similar protest. (This is being done.)[40]

The Ambassador asked whether I had any comment to make on the Japanese answer which, he took for granted by the papers, had been sent. I told him it had not been sent and that the latest information we had was that Yoshizawa had gone into the country to discuss the matter with Prince Saionji. I showed him the copy of the Chinese answer. The Ambassador said that it was the feeling of his Government that the Japanese would accept the first four points, but not the fifth and that Mr. Stimson had, by telephone, made it clear that we considered the fifth point the most important of all of them. He asked me whether this was still our point of view. I told him the Japanese Ambassador had yesterday asked me the same thing, that I had answered that it certainly was the heart of the proposition in that it was the part of the plan which might bring about a real settlement.[41] I told him the Japanese Ambassador had said to me that his Government would probably find great difficulty in assenting to the fifth point and that I had answered that whatever happened I hoped they would not turn down the fifth point. I said that if they would accept instantly and completely the first four points, leaving the fifth for discussion, a great step would have been made. I said that I had also impressed on

[40] See telegram No. 37, February 3, 5 p.m., to the Ambassador in Japan, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 179.

[41] See memorandum by the Under Secretary of State, February 2, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 176.

him that we had no intention of dropping the fifth point out of the scheme because it really was the heart of the scheme.

The Ambassador said that he felt it to be very important that in all this matter we should go along step by step with the British. I said I entirely agreed with this, but asked why he laid stress on it. He said the reason was that there was, of course, a very strong party in England, the extreme Tories principally, who regretted the abandonment of the Anglo-Japanese Alliance, were determined not to get into any trouble with Japan and did not very much like the United States. He said the whole matter was psychological rather than political and that it was not based on common sense. I told him that this attitude of a certain section of the British public was probably the reason why there was an apparent fear in Congress particularly that we might go along with the British for a certain distance and that they would then leave us holding the bag. The Ambassador said that he knew this feeling existed and that this was another reason why he felt it important, that demonstrably the different moves should be parallel so that American opinion might not get the idea that the British would leave us in the lurch. He asked what move the British could take which would dissipate this feeling. I told him that I could hardly advise as to that although I thought the cordial working together so far was having an excellent effect. I said that I had heard a Senator say the other day that if a substantial part of the British fleet should go to Singapore that would certainly demonstrate the solidarity between the two countries because our own fleet was to be in Hawaiian waters for maneuvers. The Ambassador said that such a move would certainly be the strongest move that could possibly be made.

He said that he was rather optimistic as to the Japanese reply, at least in so far as the first four points were considered. I told him that I hoped he was right and that if there was a satisfactory reply, it obviously must be without reservation because the extremely important matter now was to prevent the sending of an expeditionary force.

W. R. CASTLE, JR.

793.94/3942

The British Embassy to the Department of State[42]

AIDE-MÉMOIRE

On February 2nd His Majesty's Ambassador at Tokio was instructed by telegraph as follows:—

[42] Handed to the Under Secretary of State by the British Ambassador on February 3, 1932.

"His Majesty's Consul-General at Shanghai reports that a communication has been addressed to the Italian Chargé d'Affaires, the United States Consul-General and himself by the Officers Commanding the American, British and Italian forces, the British Senior Naval Officer, the Chairman of the Council, the Colonel of Volunteers and the Commissioner of Police. It contains a strong protest against the stationing in their sectors of Japanese detachments who commit acts of unnecessary barbarity towards the Chinese population. These acts include the murder of unarmed, unoffending civilians and they are arousing a dangerous feeling of hostility among the Chinese against the other Powers' troops properly responsible for those sectors.

You should immediately lodge a strong protest to the Japanese Government against the above-mentioned actions of their troops at Shanghai, which besides involving grave danger to all foreign interests in Shanghai are calculated to prevent the restoration of normal relations between China and Japan. You should urge the vital necessity of the actions of the Japanese military at Shanghai being kept under proper restraint."

It is hoped that the United States Government will make similar representations to the Japanese Government, and the French and Italian Governments are being invited to take similar action.

WASHINGTON, February 3, 1932.

793.94/3929 : Telegram

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

SHANGHAI, February 3, 1932—6 p.m.
[Received 10:39 p.m.]

Following is translation of letter from Mayor addressed to me as American Consul General, dated February 2nd, received February 3rd. Protest to Japanese Consul General referred to in penultimate sentence is published in local English language press this morning.

"It is a matter of record that I communicated with you on the subject of invasion of Chapei by the Japanese Navy. Subsequently with a view to preservation of peace and avoidance of hostilities, your good self and the British Consul General invited the Chinese and Japanese authorities as well as the commanders of foreign defense forces to a conference at the residence of the British Consulate General on January 31st when, after the commander of the British defense force suggested the ways and means of avoiding conflict between the opposing armies, it was agreed that the Japanese Consul General should ask the Japanese Government for instructions in three days; that, in the event of the Japanese Government being unable to accept the suggested terms, this municipality should seek the instructions of my Government; and that, during the period when instructions are to be sought, neither party should attack the other. These are all on record which

is open to inspection. Since that conference was held, however, the Japanese troops have repeatedly attacked defending forces by surprise. This state of affairs continued until 2:50 p. m. today when my office received suddenly a telephone message from the Japanese Consulate General informing me of the inability of the Japanese Government to accept the suggested terms as indicated above. This has caused me no little astonishment. Furthermore, the Japanese troops resumed offensive on the Chinese forces in Chapei even advancing before the Japanese Consulate General's notice was received by this municipality and they arbitrarily bombarded that area by the use of airplanes. Inasmuch as Japan has violated her pledge and resumed offensive regardless of the safety of the lives of the Chinese people and foreign residents within the municipality of Shanghai, it is the Government of Japan that shall undertake all responsibilities. Having lodged a memorandum with the Japanese Consul General, I have to bring the foregoing to your attention. It is trusted that you will take note accordingly and uphold justice. (Signed) Wu Te-chen, Mayor."

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4014
P

The Commander in Chief, United States Asiatic Fleet (Taylor), to the Chief of Naval Operations (Pratt) [43]

[SHANGHAI, February 3, 1932—7:21 p.m.]

0003. A conference with Colonel Hooker and American Consul General has convinced me that the situation is very serious and that conflicts have been avoided only by the tolerance of American and British defense forces. For the following reasons American lives and property interests are in danger:

1. Japanese retreat to their sector when driven back and use road outside their sector until latter closed.
2. Japanese bombing planes fly over Settlement use [omission] on Japanese mills in American sector to reach objective dropping bombs immediately after crossing line in danger to Settlement and causing Chinese antiaircraft shells to fall in Settlement.
3. In spite of promises Japanese send armed patrols through American and British sectors; these patrols have murdered several people.
4. Large amount of property has been destroyed by bombing and burning and many Chinese killed, part of these in Japanese part of the Settlement.
5. Japanese position now such that in firing on railroad station overs fall in American sector.

With ships and planes Japanese now attacking Woosung forts, causing me to protest to Japanese SOPA [44] on account of the shells falling

[43] Copy of telegram transmitted to the Department by the Navy Department, February 3.

[44] Senior Officer Present Afloat.

near *Parrott* which is moored to Texas Company dock. I consider only drastic action on the part of the Government will cause cessation of Japanese actions. Though the Chinese point out the difficulty, if the Japanese continue the present procedure, they have shown every desire to observe the neutrality of the Settlement. A protest to Japanese against further use of Settlement as a base of operations should be made. I have recommended to American Consul General that consular body present this protest. 1921

793.94/4014
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The Chief of Naval Operations (Pratt) to the Commander in Chief, United States Asiatic Fleet (Taylor) [46]

[WASHINGTON, February 3, 1932—1 p.m.]

Your 0003–1921. When you exchange calls with Vice Admiral Nomura the new commander of the Japanese Naval forces in the Yangtze area please present my compliments and state that I have every confidence in his and your ability to find some happy solution out of this tangled situation around Shanghai which will guarantee neutrality and safety of International Settlement.

793.94/4014
s

The Chief of Naval Operations (Pratt) to the Commander in Chief, United States Asiatic Fleet (Taylor) [46]

[WASHINGTON, February 3, 1932—2 p.m.]

When you confer with British military and naval authorities please assure them of 100 percent naval and military cooperation with them in preserving the neutrality and safety of the International Settlement at Shanghai.

793.94/3928 : Telegram

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

SHANGHAI, February 3, 1932—9 p.m.
[Received February 3—6:55 p.m.]

My telegram February 3, 2 a. m., transmitting protest by Defense Committee. I, as Senior Consul, have just received a note from Chairman, Shanghai Municipal Council, conveying Council's strongest sup-

[46] Copy of telegram transmitted to the Department by the Navy Department on February 3.

port of Defense Committee's protest and asking that urgent representations be made to Japanese authorities. The Chairman's letter further states as follows:

"I would also direct your attention to the exceedingly grave situation which has arisen through the activities of Japanese armed forces and armed civilians in the northern and eastern areas of the Settlement, where their actions have resulted in the disruption of the public services and infused terror amongst the inhabitants. In particular I would refer to the fact that members of the municipal police and police watchmen have been forcibly deprived of their arms and ammunition and prevented from executing their duty; members of the fire brigade, whilst on duty and in uniform, have been obstructed and assaulted; and the utmost difficulty has been experienced in the conduct of food and hospital services on account of the obstruction of Japanese naval and civilian patrols and pickets.

I have accordingly the honor to request you to make immediate representations to the Japanese authorities urging upon them the necessity of their desisting forthwith from interfering with the Council's functions and of their assisting in every way possible in the restoration to the Council's police and volunteer corps of the function of maintaining law and order in the areas affected."

2. A consular body meeting is called for February 4th. I assume that my instructions are sufficient to join my colleagues in making the representations requested.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/3928 : Telegram

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

WASHINGTON, February 3, 1932—11 p.m.

Your February 3, 9 p.m.

1. Department approves your joining your colleagues in making representations in the sense indicated.

2. Department has already on basis of your February 3, 2 a. m. and other data instructed Ambassador Tokyo to make a fourth set of representations on this subject.[47] British Government had instructed British Ambassador Tokyo to make such representations and had suggested to French and Italian Governments they take similar action.

3. Inform Nanking and Legation.

STIMSON

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[47] See telegram No. 37, February 3, 5 p.m., to the Ambassador in Japan, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 179.

793.94/3948 : Telegram

The Ambassador in Japan (Forbes) to the Secretary of State [48]

TOKYO, February 4, 1932—10 a. m.
[Received via Shanghai, February 9—11:22 p. m.]

39. (Section 2.) The British Ambassador has cautioned his Government that in his opinion the Japanese military, if a threat of economic boycott were made, might endeavor to forestall the movement which would spell their ruin by an attack on other Chinese ports including Hong Kong and he has urged them not to join in any such move until entire defensive arrangements are made. He thinks we should take similar action.

FORBES

793.94/3946 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 4, 1932—noon.
[Received February 4—11:40 a.m.[49]]

5. This morning Drummond handed me two memoranda of conversations which he had on Wednesday night with M. Sato and Matsudaira and the other with the Undersecretary General of the League.[50] These are of such high importance that I asked his permission to cable them to you verbatim.

Memorandum number 1 follows:

"M. Sato and M. Matsudaira came to see me this afternoon.

M. Sato told me that he had received a telegram from his Government saying that they could not accept the application of article 15 to Manchuria. If that application were limited to Shanghai events the Japanese Government would not oppose it but they definitely refused to allow the Manchurian question to be considered under that article.

I replied that I feared that the Japanese Government were under some misapprehension. This was not a question which lay within their competence to refuse or to accept. China had asked that the dispute as a whole should be submitted to the Council under article 15. There

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[48] Forwarded by the Consul General at Shanghai with explanatory note: "Foregoing was received by mail February 10, 10 a.m., from Tokyo with request to forward to the Department. Cunningham." For first section of telegram, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 180.

[49] Telegram in five sections.

[50] Y. Sugimura (Japanese).

was no option but for the Council to consider the dispute under this article. It was not within the power of the Japanese Government to limit the question submitted by China under article 15. I held the view that contrary to the thesis advanced by M. Sato the other day the Council did not have to seize itself of the dispute under article 15. It was already seized of the dispute under that article by the Chinese submission and now would require either unanimity or majority of the Council to state that it did not intend to proceed with the consideration of the dispute under that article.

M. Sato remarked that as the Manchurian question had been dealt with by the Council under article 11 it could not deal with it simultaneously under article 15.

I replied that I did not think that this was the case. The two articles ran concurrently. Clearly if during the consideration of the dispute under article 15 a danger of war occurred the Council was entirely competent to deal with that danger under article 11, and indeed it was its duty so to do.

M. Sato remarked that apart from the Covenant there was the resolution of the jurists committee (Corfu affair) which had studied questions relating to article 15 and that committee had said that the Council need not unless it so desired deal with a matter under article 15.

I replied that I thought that this was not exactly how the situation stood. The first two paragraphs of article 15 called for automatic action and it was only when the statements were made by the two parties and brought to the knowledge of the Council that the Council could decide whether or not the dispute was of a character contemplated by article 15, viz, a dispute likely to lead to a rupture. But if the Japanese Government had really strong legal doubts on the various aspects of the case I would recommend to the Council that they should ask the court urgently for an advisory opinion on the points raised. This would not, of course, prevent the procedure under the first two paragraphs of article No. 15 continuing. At the same time I felt that I ought to warn M. Sato that I was convinced that my interpretation of the article was legally correct and that an opinion from the court could only go against the Japanese thesis. The position therefore should be carefully considered by the Japanese Government from that point of view.

M. Sato thenceforth said that the Chinese Government had also invoked article 10. Surely as article 10 referred to aggression against the territorial integrity and political independence of a member these were matters of such political importance that the votes of the two parties must be counted.

I replied that for the moment it seemed to me that article 10 was not in question; but the line taken by M. Sato seemed to me to be somewhat contrary to common sense because even if a country violated the territorial or political integrity of another country its representative on the Council would never admit it and it would be intolerable if the vote of that country were allowed to stop action by the Council to preserve such integrity. At any rate it seemed to me for the moment that the question of article 10 could be left on one side.

As M. Sato continued to state very strongly that his country would never agree to the Manchurian questions being treated with the help

of any third party, I again emphasized the fact that the Council had no choice according to the terms of the Covenant but to deal with the dispute as submitted by the Chinese representative. Criticism in Japan should be directed not against the Council which was simply performing a treaty obligation but against the terms of the Covenant itself and against China for having invoked article 15. M. Sato knew that the members of the Council had done their utmost to prevent this article being invoked but China had ultimately decided that it was necessary and nobody could gainsay her right.

M. Sato again emphasized the fact that public opinion in Japan was violently excited because they considered that the Council had accepted to treat the Manchurian questions under article 15 in spite of Japan's protests.

I said that was greatly to be regretted; but I could not see that there was any other alternative. I heard that the Japanese Government was contemplating the very grave step of withdrawing from the League owing to this popular feeling. Nobody could be more sad if such a thing happened than myself; but really I would prefer such withdrawal to the abandonment of the principles laid down in article 15. To agree with the Japanese contention would be simply to destroy the effective value of the Covenant. I hoped at any rate that before any such step were taken the Japanese Government would consider very carefully the third paragraph of article 1 that stated that a state could only withdraw after 2 years' notice provided it had fulfilled all its international obligations and obligations under the Covenant.

M. Sato answered that while it might be true that Japan was legally bound to remain a member of the League for 2 years it might well be that in practice she might retire and have nothing more to do with the League even if she had not fulfilled her international obligations.

I remarked that even so she would hardly be in a better position than she was in today. Article 17 made provision for states not members of the League engaged in a dispute.

The conversation ended by my saying to M. Sato that I hoped that he would forgive me for having expressed my views very frankly but I thought that it was much wiser to explain the position as I saw it. M. Sato said that he was grateful for this frankness and he would certainly report what I had said and meanwhile he was going to talk to Lord Cecil on the same subject."

Memorandum number 2 follows:

"M. Sugimura came to see me this afternoon and said that M. Vigier had made a very interesting suggestion to him with regard to the fifth point in the British-American proposals which is as follows:

> 5. Upon the acceptance of these conditions prompt advances to be made in the negotiations to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris and the resolution of the Council of the League of Nations of December 9 without prior demand or reservations and with the aid of neutral observers or participants.

M. Sugimura thought that the Japanese representatives here might suggest to Tokyo that this proposal might be accepted provided that

the members of the Lytton Commission should be utilized as the neutral observers. This Commission had been appointed with the concurrence of the two parties and was therefore in somewhat special position. He would base his arrangements on the fact that under the resolution of the 10th December the Council would in due course have dealt with all the questions at issue between the two Governments including Manchuria. It was certainly preferable that these questions should be dealt with in the Far East rather than at Geneva and he would therefore suggest that the negotiations should take place in the Far East with the members of the Lytton Commission as observers. But if this was acceptable it would be necessary for the Japanese Government to obtain something in return. Would the four powers concerned recommend to the Chinese Government that it should withdraw its submission of the dispute under article 15? I said to him that I did not know whether this was possible; but if such a request were to be made by the Japanese Government it ought to be made, in my view, on the ground that the 6 months allowed under article 12 for the Council's report under article 15 were not in this particular case anything like sufficient considering the complexity and importance of the questions at issue. If the reason was confined to this practical ground I thought that it might be urged on the Chinese Government with some chance of success. But, of course, I was not in a position to give any assurance or guarantee.

M. Sugimura was very pessimistic as to the situation but thought that perhaps this suggestion might afford a possible way out."

WILSON

793.94/4014
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The Commander in Chief, United States Asiatic Fleet (Taylor), to the Chief of Naval Operations (Pratt) [51]

[SHANGHAI, February 4, 1932—1:39 p.m.]

Japanese posts and patrols have been withdrawn from British and American sectors. This gives control of mills and prevents their use to display panels for aircraft and eliminates danger which Chinese feared of flank attack. This greatly eases situation. Woosung forts again under bombardment from cruisers and destroyers. No planes in evidence. Weather unfavorable.

793.94/3936 : Telegram

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

SHANGHAI, February 4, 1932—3 p.m.
[Received February 4—9:07 a.m.]

My telegram of February 3, 9 p. m., transmitting letter from Chairman [of] Municipal Council. Consuls representing extraterritorial

[51] Copy of telegram transmitted to the Department by the Navy Department, February 4.

countries except Japanese met this morning to consider letter. There were efforts on the part of representatives of several of the smaller powers to present a protest but subsequently following letter was unanimously approved and despatched today to Japanese Consul General:

"I have the honor to transmit from the Chairman of the Municipal Council a letter dated February 3rd, 1932, in which the Council gives its strongest support to the Defense Committee's protest which was received by you 2 days ago from certain consular officers. In addition to this the Municipal Council directs attention to the exceedingly grave situation which has arisen through the activities of Japanese armed forces and armed civilians in the northern and eastern areas of the Settlement, where their actions have resulted in the disruption of the public services and infused terror amongst the inhabitants. The Council requests that representations be made to the Japanese authorities urging upon them the necessity of desisting from interfering with the Council's functions and of assisting in every way possible in the restoration of the functions of the Council's police and volunteer corps.

My interested colleagues desire to support the representations of the Council and to express the hope that you will make such representations to the proper Japanese authorities as are necessary to restore the municipal functions to the duly accredited municipal officials. It is not our understanding that a landing force is in any sense to interfere with the police and police watchmen but rather to strengthen them in their existing positions, and to give such protection to the recognized municipal officials as will enable them to function efficiently and effectively during the state of emergency. (Signed) Edwin S. Cunningham, American Consul General and Senior Consul."

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/3947 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 4, 1932—4 p.m.
[Received February 4—11:48 a.m.]

6. Supplementing my 5, February 4, noon, second paragraph. Drummond informs me that Sugimura has been unable to persuade Japanese delegation to send the telegram to which Drummond refers in his memorandum of conversation. The opposition from the Japanese delegation was based mainly on the fact that it would be impossible to persuade Chinese to withdraw their submission of the case under article 15.

Drummond informed Sugimura that he was very much disappointed as he thought the suggestion of great value and did not share the view expressed as to the impossibility of obtaining Chinese withdrawal under article 15. Sugimura will again consult Japanese delegation.

WILSON

793.94/3960 : Telegram

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

NANKING, February 4, 1932—5 p.m.
[Received February 5—12:55 a.m.]

The Japanese now have three cruisers and four destroyers lying in the river directly opposite Nanking, all cleared for action and with guns manned and trained on the city.

This force seems to me unnecessarily large if its mission is simply for the protection of known legitimate Japanese interests at Nanking especially as the Japanese colony was evacuated to ships in the river some time ago. Such naval display appears to be for no other purpose than to intimidate the Chinese Government. But the presence here of so many Japanese war vessels with obviously unfriendly intent also tends to provoke incidents, as the events of the night of February 1st and 2nd clearly proved. The Chinese population is in a state of panic, business is at a standstill, banks are closed, and the heads of the Government have left for Loyang. So long as the Japanese naval vessels remain the people will continue to feel terrorized and render the normal functioning of administration impossible. Moreover Chinese troops in the vicinity hearing of events at Shanghai and Woosung and aroused as they are to a feeling of exasperation may at any moment commit some rash act and thereby precipitate Japanese retaliation with disastrous consequences to the city.

I feel that representations might therefore appropriately be made in Tokyo with a view to persuading the Japanese Government of the uselessness of keeping up this state of affairs by the continued presence of its warships at Nanking with threat implied by constant visible evidence of men at quarters and guns pointed. It seems to me one ship for observation purposes and protection of Japanese consular staff should be adequate. I have discussed the above facts with my French and British colleagues who agree with me that the situation should not be allowed to continue without some protest on our part and they are suggesting to their respective Governments that representations be made as tactfully as possible to Tokyo with a view to having the Japanese consent to withdraw all but one of their present units here. We believe that such a move would help greatly to ameliorate the

situation here and aid in creating an atmosphere favorable to negotiation.

Repeated to Peking and Tokyo.

JOHNSON

793.94/3932 : Telegram

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

SHANGHAI, February 4, 1932—5 p.m.
[Received February 4—7 a.m.]

My telegram of February 3, 2 a. m. Colonel Hooker, commanding officer of marines, informed me by telephone at 3 p. m. that all Japanese marines had left American sector by 10 o'clock this morning. He stated Japanese left British sector midnight February 3rd.

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/3939 : Telegram

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

SHANGHAI, February 4, 1932—6 p.m.
[Received February 4—9:35 a.m.]

The following was received by me from the pastor of the Community Church:

"I want you to know that many of us will be humiliated if the amazing and deplorable actions of the Japanese military units in Shanghai are not met with a vigorous protest by our Government.

I am sure that this insanity does not express the thoughts and desires of the great majority of Japanese people and that a protest by the United States will find support in Japan as well as in all other civilized countries."

The foregoing is a typical inquiry of many Americans. In the same tenor numerous Chinese inquiries are received from individuals and organizations. These, in time, are likely to create a sentiment against the United States. May I say in reply to such inquiries that the American Government has filed a strong protest to Tokyo against the use of the Settlement as a base of activities conducted against the Chinese, including their deplorable action in the Settlement, which of course is more effective than local protests would be.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/3963c : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, February 4, 1932—noon.

54. Please go to see the Foreign Minister at once and give him this information:

The estimate of the situation given us by our advisers is that the Japanese last week met with a sharp set-back in Shanghai. They had previously believed that they could dominate the boycott situation merely by landing naval units and without the use of an expeditionary force. They had not expected the Southern Chinese Army to be so superior to the Chinese they had met in Manchuria and have got themselves into a very serious situation.

As a result of this situation probably, came the Japanese request of good offices. Under these circumstances it is most important that the British-American alignment should continue unbroken in any respect. Any appearance of hesitation or break in our common purpose would have a very bad effect in Tokyo.

Yesterday the Japanese Ambassador came to see me[52] to discuss the five proposals, saying that the Japanese Government seriously objected to the fifth. I told him in reply that the principal danger at present was in Shanghai and that this was caused by the Japanese use of our sector as a base against the Chinese. I told him that we had definitely determined that the only adequate method of protecting our nationals and their property was to maintain the neutrality of the International Settlement and that we were prepared to do so; that I believed the British and the French felt the same way. I said further that our nationals were now being greatly endangered by the action of Japanese regulars and irregulars coming into our sector and attacking the Chinese from it as a base. I said that I must present in the strongest way to his Government that this must stop. I made him take it down in writing, and he promised to send it to his Government. I feel it of the utmost importance that the British Government also make it very clear to the Japanese that they will not tolerate any possible use of the International Settlement as a base of operation and are determined to maintain the neutrality of the Settlement.

I am now informed that the Japanese marines evacuated our sector and also turned over to the British and to the Americans the defense of the mills in front of our sector, which has for several days been a danger point.

STIMSON

[52] See memorandum by the Secretary of State, February 3, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 177.

793.94/3916 : Telegram

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

WASHINGTON, February 4, 1932—2 p.m.

Your February 3, 4 p. m., in regard to sale by American and British oil companies of aviation gasoline to Chinese military.

Department perceives good arguments both pro and contra. It is Department's desire that there be as full cooperation as may be possible between British and American action, both official and unofficial in such matters. On this particular problem you should, after consultation with the American military authorities, attempt to work out with the British Consul General a common course.

Department notes your statement that it is understood that British and American oil companies have sold fuel oil to Japanese naval vessels at Shanghai. You should bear in mind the principle of nondiscrimination; also that there is under American civil law nothing in prohibition of such sale. If you and your colleagues decide that such sales are inadvisable, it would seem that action taken by you toward prevention must be based on other than legal grounds; also that an effort to dissuade should apply to sales to Japanese as well as to Chinese. Department doubts the force of the British Consul General's apprehension as reported, but you are in a better position to judge. Furthermore, if Chinese can obtain gasoline supplies from Russians, what advantage is there to be derived in relation to preventing possible aerial attacks by Chinese through avoiding sale to them of gasoline from American and/or British firms?

In connection with this whole problem, might it not possibly be arranged either to decline to sell so long as fighting continues both to Chinese and to Japanese or to secure promises from both Chinese and Japanese that there shall be no flying their military planes over or in close proximity to the Settlement?

Keep in mind particularly the principle of cooperation with your British colleague and the principle of impartiality as between Chinese and Japanese.

Repeat to Nanking and Legation as Dept's No. 20 and 41 respectively.

STIMSON

793.94/4009

Memorandum by the Secretary of State

[WASHINGTON,] February 4, 1932.

The Italian Ambassador came in to say that he had a telegram which he had been delayed in giving to me on account of his absence in New

York. It was to the effect that Italy joined with us in making every effort to avoid the further developments of a conflict at Shanghai and to prevent a violation of the International Settlement. The Ambassador said they had sent from Italy the cruiser *Trento*, which was one of their new cruisers, and it had a lot of marines on it, and one big destroyer. He told me that Signor Mussolini's daughter was the wife of the Chargé at Shanghai.[53] The Ambassador closed by saying that he feared that the prestige of the white race in the Orient had been greatly lowered by recent events. He enumerated: one, the failure of the Bank of England; two, bread lines in New York, and three, Germany pleading for financial help, and so on. He said that these were just the high points which the Oriental reader got.

H[ENRY] L. S[TIMSON]

793.94/4005

Memorandum by the Secretary of State

[WASHINGTON,] February 4, 1932.

The Portuguese Minister came in to tell me that his Government had sent its note on the subject of the International Settlement to the Japanese Government. Then he went on into a discussion of the situation which he presented with an extreme skeptical view of the Japanese policy. He thought the whole thing was planned; that Japan intended to dominate China; that there had been no division between the Army and the Government and he told me that they themselves were confronted with a serious situation at Macao where they had a colony on the mouth of the West River which runs up to Canton and they were looking forward to possible complications if the Japanese tried an attack on Canton. I told the Minister I thought his ideas were exaggerated of course and that I had the impression the Japanese had all the problem they wanted just at present in Shanghai.

H[ENRY] L. S[TIMSON]

793.94/3933½

Memorandum of Trans-Atlantic Telephone Conversation[54]

SECRETARY: Hello, Mr. Atherton.

MR. ATHERTON: I received your telegram today[55] which gives an

[53] Count G. Ciano di Cortellazzo.

[54] Between Mr. Stimson in Washington and Mr. Atherton in London, February 4, 1932, 4:35 p.m.

[55] Telegram No. 54, February 4, noon, p. 209.

estimate of the situation and which I was to read to the Foreign Minister. I read it to him over the telephone this evening and he made a new fifth point which I thought I might call you up and tell you of and then he wanted me to say that after I gave you these five points if you wanted to call him back you could reach him at 8877 Park because he goes to Geneva tomorrow in the middle of the day and as it is on the eve of his departure he will consider the necessary instructions being issued tomorrow before he goes to Geneva. Secondly, he said that they had very precise information on how touchy the Japanese Government was on pressure being brought to bear and he told me that was another reason for an absolute Anglo-American unity and whether it would not be wise to omit Manchuria from any forthcoming representation to Tokyo and . . .[56] of the Shanghai area and China proper. The fourth one was that he thought the Anglo-American Governments might find it well for them to point out to Japan that outside intercession might be very valuable to the Japanese to have the Chinese boycott removed. He thought that Japan could make the approach itself. He said he hoped very much to get in touch with you while he was in Geneva.

SECRETARY: Has he any further information of troop movements?

MR. ATHERTON: He has nothing beyond what I gave you.

SECRETARY: No information of movements of infantry?

MR. ATHERTON: He didn't say that this evening over the telephone.

SECRETARY: We have various lines of information which indicate that the Japanese are very possibly moving a division over there and there is a flash from the press that they have landed four thousand men but where, we do not know.

MR. ATHERTON: Will you talk with Sir John over the telephone this evening or not, Sir?

SECRETARY: I think perhaps you can give him all that I know. We think that it is quite possible that the Japanese are moving a division to drive off these troops in the neighborhood of Shanghai. As I say, the indications are that a portion of that may be already landed. It is possible that they may have landed at the Woosung Forts where they were bombarding yesterday. We rather think that is possible. In that case, if they have done it, which would be a simple military movement for them to execute, it would be to move up the Railroad toward Shanghai taking the Chinese force on the flank and either driving them off or into the Settlement. You see?

MR. ATHERTON: Yes, Sir.

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[56] Apparently poor telephone connection at this point.

SECRETARY: It is quite a serious situation. On the other hand there may be still further, though we don't know this at all, even larger movements in progress. It is not impossible that there may be still larger movements still in progress. We don't know that but we have some stories that indicate that may be so, but there is a good deal of evidence about at least twelve thousand infantry being on their way. Yoshizawa said that yesterday in his conference with the three Ambassadors. He did not say that they were on the way but said they would have to move them, and I think they were already on the way. You see?

MR. ATHERTON: Yes, Sir.

SECRETARY: I think you better call Sir John up yourself and give him this information.

MR. ATHERTON: Yes, Sir.

SECRETARY: Of course, Yoshizawa said that this was done simply to protect their situation in Shanghai and it is not at all unnatural for them to do that because they were in a difficult position and this would be the surest way out of it from a military standpoint. I have no knowledge of what more they may be doing but I should like to have that go to Sir John and if he has any reaction he can call me up.

MR. ATHERTON: I see, you have the idea.

SECRETARY: Don't you see I have nothing further to tell him than what I told you. Tell him I appreciate his three messages and his four points and that is all right. Particularly, it is very important that we keep together step by step as he suggests and that I shall do that. I am very sorry he is going away; how long will he be gone?

MR. ATHERTON: He will be back as soon as he can because he is very much needed here.

SECRETARY: About what day?

MR. ATHERTON: He does not know, but he will be back as quickly as he can—as short a time as he consistently can.

SECRETARY: Tell him I wish he was not going until the day after tomorrow because something may turn up tomorrow. We have intimations that there may be rather large news tomorrow.

MR. ATHERTON: Very good, Sir.

SECRETARY: Can you get that to him. I have nothing definite on that last at all but it is just as well for him to know it.

MR. ATHERTON: I will convey that to him tonight.

SECRETARY: If he wants to call me I shall be available here or at home until 8:30 tonight our time.

MR. ATHERTON: Good-night, Sir.

SECRETARY: Good-night.

793.94/3965a : Telegram

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

WASHINGTON, February 4, 1932—6 p.m.

On information that may or may not be correct, we believe that Japanese infantry to the extent of 4,000 may possibly have already been landed at Woosung; that these are probably the advance guard of the movement of a Japanese Division. If they land at Woosung, it would seem quite possible that they will move upon the Chinese forces at Chapei along the railway line from Woosung to Shanghai, in which case there would be danger of defeated Chinese troops being forced into the American sector of the International Settlement.

This is sent to you for your confidential information and that of the commanders of the neutral forces.

STIMSON

793.94/3939 : Telegram

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

WASHINGTON, February 4, 1932—7 p.m.

Your February 4, 6 p.m. You may reply to such inquiries that the American Government, as well as other Governments, has made representations to the Japanese Government in regard to the situation at Shanghai, with particular reference to the status of the International Settlement, and that the American Government is doing its utmost to the end that the Settlement shall not be involved in the dispute between China and Japan.

STIMSON

793.94/3959 : Telegram

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

SHANGHAI, February 4, 1932—9 p.m.
[Received February 4—7:07 p.m.]

With reference to this Consulate General's telegram February 3, 11 a. m., hereafter daily report will be made until further advised.

1. Woosung forts not silenced yesterday as reported by Japanese. Japanese Consul stated that bombardment had recommenced noon today and he believed that it is Japanese Admiral's intention to occupy the forts. Japanese Consul General reports that he has had no further negotiations with the Chinese Mayor. The Harbormaster stated this

morning that he had issued no official notification to shipping but had advised shipping yesterday that they proceed to Woosung at their own risk. He stated port was not officially closed. This morning Japanese Consul General informed this office that Japanese had issued no official advice or information to merchant shipping of other nations. During bombardment of Woosung forts some 50 shells landed on the installation plant of Texas Oil Company. One shell went through an empty tank belonging to Asiatic Petroleum Company. The Mayor of Municipality of Greater Shanghai has informed this office officially that special martial law is in force from today, the 4th, and that no warships, merchant vessels, or other vessels should pass in or out of the harbor at Woosung between 5 p. m. and 7 a. m. daily.

2. The artillery duel between Japanese forces and Chinese Army has continued all day with more heavy gun fire than previously. Last night was fairly quiet with only short intervals of artillery, rifle and machine-gun fire. It is reported that some 4,000 troops of 19th Route Army are moving up to Chapei.

3. Within last 24 hours there have occurred four fires between main post office and Range Road just west of North Szechuan Road. These were evidently of incendiary origin. The area from the Odeon Theatre, which was deliberately set on fire by Japanese, west to railway is completely gutted. Municipal fire department states the chief requested the Japanese military commander three times before he would consent to allow fire department to check the south half of the Odeon fire which was menacing the nearby Settlement lines. It appears to have been the definite purpose on the part of Japanese to burn. No definite information as to fires in Chinese sector can be obtained. So far no definite estimate as to total loss can be made. It has roughly been estimated that losses so far amount to Mexican dollars 30 million or more. From present fires in progress the loss will reach double this.

4. Today the Chinese banks resumed business on a full scale. Rice shops, however, are conducting business through half-closed doors during the day as a precaution against robbers. Approximate total of 162,000 workers out of employment. The general labor union, recently formed, has asked various local unions to organize a National Salvation Army forthwith. According to information available there are approximately 300,000 piculs of Chinese rice and 100,000 piculs of Saigon rice in Shanghai area. Present stock considered sufficient for 2 months. The rice merchants are attempting to fix maximum prices of Chinese rice at $15 and Saigon rice at $11. There are estimated to be 300,000 tons of coal in Settlement. Chinese refugees continue to pour into the city with their property and belongings.

Repeated to Nanking and Legation and Tokyo for information.

CUNNINGHAM

793.94/3957 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 4, 1932—11 p.m.
[Received February 4—8:47 p.m.]

49. Department's telegram No. 54, February 4, noon. After our telephone conversation tonight I transmitted your further message to Sir John Simon. He asked me to convey to you the three following points he now has under consideration.

1. That the English and American Governments should already be formulating their answer to the Japanese reply and would it not be well to leave Manchuria out of the field of the immediate discussions limiting them to the Shanghai area and Yangtze Valley.
2. If Japan is unwilling to accept neutral observers under proposal five could not the "good offices" of the Commission already en route set up by the League with the approval of Japan and containing a British and American member be utilized?
3. More especially since the American and English Governments appreciate Japan's position vis-à-vis the Chinese boycott could not the "good offices" of this League Commission in some way be employed as an intermediary between this economic menace to Japan which is at the same time China's greatest weapon of defense?

Sir John said cable communication from Shanghai interrupted and he was largely dependent on Admiralty reports. Latest news received checked up with your advices on probability of Japanese troop movements to Shanghai area while there were also vague intimations received that China was considering the abandonment of resistance in the Shanghai area.

ATHERTON

793.94/3963 : Telegram

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

SHANGHAI, February 5, 1932—4 p.m.
[Received February 5—6:45 a.m.]

2. Following remarks were made to Josselyn February 5th by Jun Ke Choy, former Shanghai Commissioner of Finance and now liaison officer between Mayor's office and British and American Consulates:

Choy stated that all Chinese commanders together with other thinking Chinese knew that present Shanghai conflict hopelessly one-sided

and that Chinese had no chance whatever to win; that in spite of this knowledge Chinese commanders were determined to resist (1st) because a retreat would lower the morale of the whole country and (2d) they were resisting in order that the powers might have time in which to mobilize world opinion and to bring neutral forces to Shanghai both of which he thought were factors favorable to China. He said that if Japan occupied Chapei she would not give it up and with the Japanese in possession there the entire situation in Yangtze Valley would be altered for the powers.

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/3967 : Telegram

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

SHANGHAI, February 5, 1932—5 p.m.
[Received February 5—9:15 a.m.]

3. My telegram of February 4, 9 p.m.

1. Letter from Mayor dated February 4th states he has just received following notification from headquarters of commander of Woosung-Shanghai garrison:

"A special martial law is in force at present. Will you please notify the various Consuls General and have them pass the information to the warships, merchant vessels and other ships of foreign respective nationalities that, beginning from today, the 4th instant, they should not go in and out of the harbor of Woosung between 5 p.m. and 7 a.m. daily."

2. I have communicated foregoing without comment to commander in chief and American shippers.

3. Apparently conditions are quiet at Woosung. Harbormaster states orally ships have been passing February 5th but not expected to move at night.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4138

Memorandum by the Under Secretary of State (Castle)

[WASHINGTON,] February 5, 1932.

The Japanese Ambassador came in to say that he was very much disturbed at the reports which were evidently true of the despatch of

a division to Shanghai. He said that he had told the Secretary he did not think this would be done[57] and intimated that he was afraid we would feel he had been trying to mislead us. I told him that we had no such idea, that we knew that he was not being kept closely informed and that, in any case, military movements were generally kept secret. I told him that, under no circumstances, to get the idea that we thought he was trying intentionally to mislead us.

He then asked if I knew from where the Division was supposed to embark. I told him that apparently it had already embarked as some soldiers, it was reported, had reached Woosung and the rest were to arrive on Saturday morning, that I supposed they had embarked from Kyushu. He said he hoped this was the case as this meant only 24 hours from Shanghai and meant no troops had embarked at the time Mr. Yoshizawa saw the Ambassadors, but that he still found it impossible to believe that his Government would actually have sent troops after asking for good offices. The Ambassador then went on to say that he had seen a story in the evening papers that the Emperor had ordered general mobilization. He asked me whether we had heard anything about this as he had had no suggestion of it. I told him we had not had any definite news, but that we had heard rumors and this disturbed him greatly because he said he could see no possible reason for such a tremendous move. He asked whether I had any idea why if this was being done it should be done. I told him that naturally I had no idea, but that I had been forced to jump to the conclusion that it might mean a very serious condition in Japan and that mobilization was considered necessary to prevent revolution. He said that this had been his own idea and that he was very greatly worried. He said that the situation in Japan was tense, that the elections were coming, that a tremendous amount of propaganda of all kinds was going on and that he felt that such a move could only mean the situation was far more serious than he had thought.

The Ambassador was very pathetic and for the first time spoke of my own interest in Japan and said that he hoped I would not lose all confidence in the people of his country. I told him that I had many friends in Japan, friends for whom I had the highest respect and admiration, that the present situation as it was developing made me very sad in that I felt something must be seriously wrong when the military could be permitted to act in the totally indefensible manner they had been acting recently. He said he knew this must be my answer and that, of course, he had no excuses to offer.

W. R. Castle, Jr.

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[57] See memorandum by the Secretary of State, February 3, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 177.

793.94/4079

Memorandum by the Under Secretary of State (Castle)

[WASHINGTON,] February 5, 1932.

The German Ambassador asked me whether anything particular had happened since his talk with the Secretary concerning the Far East on February 4th.[58] I told him that, of course, we had been greatly disappointed at the Japanese answer to the joint representations and that we were considering what further steps might advantageously be taken. He said that, inasmuch as the representations offering good offices were concurrent, we naturally would wish to discuss the next step with the other nations. I told him this was, of course, true. He asked why these representations were confined to the four powers, whether it had been decided only to include the naval powers. I told him I felt that the primary reason was that the center of the trouble was in Shanghai and that only those powers had been asked to participate who had important interests in the International Settlement. The Ambassador said that, if at any time Germany could be of assistance, he was sure that his Government would be glad to take any specific part as Germany felt that the measures we had so far taken were very useful.

W. R. CASTLE, JR.

793.94/3957½

Memorandum of Trans-Atlantic Telephone Conversation[59]

MR. ATHERTON: Hello, Bill, have you got a stenographer there who can take down part of what I say?

MR. CASTLE: Yes, all of it is being taken down.

MR. ATHERTON: The latest advice from the Military Attaché at Tokyo informed the Foreign Office that two mixed brigades of a total of some eight thousand troops may be expected to arrive at Woosung on Saturday, probably followed by one division of some fifteen thousand men early next week. I talked with Sir John before he left for Geneva this morning and he has prepared two telegrams of instructions to the British Ambassador at Tokyo which I am going to read to you. As soon as your approval to the plan set forth therein has been received, they will be despatched to the British Ambassador at Tokyo, and the British Ambassadors in Paris and Rome will be instructed to urge upon those Governments to take similar action; also Sir John will

[58] Memorandum of conversation not printed.

[59] Between Mr. Castle in Washington and Mr. Atherton in London, February 5, 1931, 11:10 a.m.

be there to discuss the matter fully with Tardieu and Grandi when he arrives at Geneva tomorrow morning, for not only does the British Government deem it important to take immediate action but they think it is almost equally important for the League at Geneva to take early action. The Foreign Office hopes that your instructions to Tokyo will coincide with the language of these telegrams of instruction. I shall read them slowly. The following is telegram "B":

"The British Government is naturally much disappointed with the Japanese reply, inasmuch as the Chinese for their part have unreservedly accepted all five points. We are particularly disappointed with the decision of the Japanese Government to send troops to Shanghai, which, unless every precaution, including the instituting of immediate negotiations, is used, will widen the conflict and intensify the danger already so manifest. As regards the first three paragraphs of the Japanese reply which refer to the difficult situation, you should inform them that the Chinese have accepted our proposal and should urge them to modify their attitude . . .[60] You should therefore ask the Japanese Government to instruct their representatives on the spot to adopt the most moderate and conciliatory attitude, and in particular to make as little difficulty as possible in regard to the neutral zone.

"As to point five, the Japanese Government would seem to be under a misapprehension. It is not contemplated that the discussions thereunder provided for shall extend beyond the point of conflict at present, causing acute danger, and so intensibly, of international interest at Shanghai and in the Yangtze Valley. It is the considered view of the British Government that they are legitimately entitled to and must take part in any such negotiations, together with the other powers concerned.

"His Majesty's Government have no desire to occasion either undue complications or undue delay in this matter, and they therefore take the view that the best means of international participation in such negotiations will be by taking advantage of the good offices of the League Commission of Inquiry now on its way. It will be borne in mind that the Commission was appointed with the consent of Japan and that its scope was at the request of Japan and not [*extended?*] to cover such areas as Shanghai on the ground that boycott activities should come within its purview. At such a meeting it is considered that these representatives will play a useful part in helping toward a solution of outstanding local difficulties and complaints."

MR. ATHERTON: That was telegram "B". Now I will read you telegram "A".

"You should also concurrently with the United States, French and Italian colleagues urge the following considerations upon the Japanese Government at the same time you make representations set forth in telegram (B). The Japanese Government claims, as we understand it, that one of the chief sources of friction and causes of conflict has been the anti-Japanese boycott. We are anxious to arrive by negotia-

[60] Apparently poor telephone connection at this point.

tions at the removal of this obstacle if it continues, together with any other that may be found to exist. We are unanimously of the opinion that this end can best and probably only be arrived at by participation of the League Commission who are impartial and are equally and demonstratively interested in the restoration of peaceful conditions at the earliest possible moment."

MR. ATHERTON: Bill, as soon as we get your reply, if you agree to send similar instructions to Tokyo we will send these off, so I will wait on the other end of the telephone to hear from you.

MR. CASTLE: Yes, you wait and as soon as the Secretary gets back from the Cabinet meeting, and by that time the notes will have been written up and he can consider them. Our feeling was that perhaps at the moment it was not wise to do anything. After he sees what the British want to send he may change his mind on that.

MR. ATHERTON: I think the feeling is that something ought to be done before this heavy troop movement.

MR. CASTLE: There is a heavy troop movement already under way.

MR. ATHERTON: It will arrive tomorrow morning.

MR. CASTLE: Yes. We will ring you up after the Secretary gets back and considers this.

MR. ATHERTON: Just one more thing. I have just received Mr. Mellon's *agrément*[61] from the Foreign Office.

MR. CASTLE: I am glad because the President wants to send it up to the Senate today.

793.94/3959½

Memorandum of Trans-Atlantic Telephone Conversation[62]

MR. ATHERTON: Hello, Mr. Secretary.

SECRETARY: Is that you, Atherton. I was in Cabinet when you were talking this morning and was talking about this very matter. I have given consideration to the telegram that you sent last night giving the three points which had come from Sir John. My mind has been working on a rather different line of approach, but I agree with Sir John that there must be no divergence between us.

MR. ATHERTON: Yes, Sir.

SECRETARY: I think the best way is for each of us to present frankly to the other our views, because I don't think there is any immediate urgency at this moment. The principal thing which I think we must

[61] Andrew W. Mellon was appointed Ambassador to Great Britain on February 5, 1932.

[62] Between Mr. Stimson in Washington and Mr. Atherton in London, February 5, 1932, 12:15 p.m.

be very careful not to get into is any intrusion into the boycott question.

MR. ATHERTON: No intrusion into it.

SECRETARY: I think it would be a very serious mistake. What I mean is, as Sir John well states, that is China's age-long weapon against all aggressors and for four thousand years it has been so successful that no outside Government has ever permanently succeeded in affixing itself or settling itself upon China. One by one every one of them have been gotten rid of eventually by the Chinese vitality.

MR. ATHERTON: Yes, Sir.

SECRETARY: That is the thing. I don't see how any argument or suggestion about it would get anywhere frankly except to get the outsider into trouble.

MR. ATHERTON: You don't agree to telegram (A)?

SECRETARY: I don't think that telegram (A) would get anywhere; it would get nowhere.

MR. ATHERTON: Yes, Sir.

SECRETARY: As to the other matter, it is merely a matter of form really. What I mean is in respect to the fifth point about Manchuria, the objection of Japan inevitably ends for the time being at any rate any discussion of that because this was a matter of good offices and either party can veto any suggestion by the outsiders, but I prefer to let it stand. I would not make any statement or do any act which would indicate that we acquiesced with the idea put out by Japan that nothing in Manchuria was of interest or importance to anybody outside, so I should simply not discuss that or say anything about it to indicate any acquiescence in any way with the Japanese position. Now, the third point was in regard to the form which this should take with respect to possibly going on in the negotiations, do you see?

MR. ATHERTON: Yes, Sir.

SECRETARY: There is a very strong feeling here on the part of the President and all of his advisers against putting the American Government in the position of making further suggestions which are being rebuffed by the people who are over there—Japan and China—and I feel that way myself. I consented to go into this only because a request came from both China and Japan that we should do so and the request from Japan was not only once but twice. We then made a suggestion to them which was the best we could do, and which all the other powers agreed with, and Japan has refused it. I don't propose to be put in the undignified position of hanging on to the coat tails of anyone in putting forth conditions into a controversy which they may not want. That is the third objection I have to the program as it is put out and that is one which is very strongly felt here. Before

I had received these two notes of Sir John, I had drafted one of my own covering these ideas. Have you someone to take it down?

MR. ATHERTON: May I repeat it after you?

SECRETARY: Here it goes. You understand it had not even been through the Department, it is just my own words without diplomatic language, but it gives the idea in which my mind was working. Now, will you get it?

MR. ATHERTON: If you read it to me, I will repeat it.

SECRETARY: All that I am saying to you this morning is subject to the preponderating proposition that I said first: that everything must be subordinated to the two Governments' working together, but before I leave you I am going to suggest that probably I shall call up Sir John tomorrow and talk to him in person, but I want you to get this into your hands so that you will have a copy so that you can use it either with Vansittart or, if I can't get Sir John, with Sir John. You see?

MR. ATHERTON: Yes, Sir.

SECRETARY: "On the request of the Japanese and Chinese Governments for our good offices, the American Government suggested, in company with the British and French Governments, the steps which it believes would not only terminate the critical situation at Shanghai but would ultimately set in course of solution the unhappy controversies between China and Japan out of which this situation has directly grown. The essence of our suggestion lay in the proposal for an immediate cessation of hostilities on the part of both China and Japan and the avoidance of further sacrifice of life. China has accepted this unconditionally. The American Government is grievously disappointed that Japan has declined, but it feels that it would be fruitless to attempt to suggest any modification of details when the essence of the proposition is rejected. Our good offices will always be available to China and Japan when sought. For the present the American forces at Shanghai, working in cooperation with those of the other powers similarly interested, will continue to devote themselves to the protection of the lives and property of the Americans and others who with them are in jeopardy in the International Settlement."

SECRETARY: Well now, that was the idea. I had to make it very brief and to cover those points.

MR. ATHERTON: Yes, Sir, that idea was to make a statement to that effect.

SECRETARY: To send this in the form of a memorandum to Japan, but also to make it public because of course the Japanese have made their note public.

MR. ATHERTON: Mr. Secretary, I shall inform Vansittart that first, you feel the need for absolute Anglo-American unity and that you do not accept telegram (A) and that you are not disposed to accept

telegram (B), but will put forth this statement which you are considering and will endeavor to suggest it to Sir John tomorrow at Geneva.

SECRETARY: I would put it this way; rather than to say I reject them, say the objections which I mentioned to you in the other draft.

MR. ATHERTON: The reasons you gave for rejecting number (A).

SECRETARY: Well, the three reasons that I gave you first applied to the general situation which is covered by both telegrams (A) and (B).

MR. ATHERTON: In short, Mr. Secretary, you don't agree to either (A) or (B).

SECRETARY: As they stand, I am troubled by them both. My idea is not to force an immediate decision on this but to see if I could get hold of Sir John tomorrow when he reaches Geneva. Do you know how long he will be in Paris?

MR. ATHERTON: Tomorrow morning he will leave there for Geneva.

SECRETARY: Does he not stop two or three hours in Paris?

MR. ATHERTON: As I understand, he is going directly to Geneva. I will telegraph tonight on that point and let you know.

SECRETARY: The main thing that I foresee a little trouble in is the difference between us on the method of whether we should let this thing rest right here for the present and devote ourselves to the International Settlement protection, leaving it up to them entirely to make any move, or whether we should hang on to this proposition. In view of the way we look at it here, I don't think that we could hold on to that proposition. The Japanese have turned down the essence of it; they have used the time, as Sir John in his draft points out, for reinforcing themselves for a new conflict. I don't think it is a very dignified thing, under those circumstances, to argue about Shanghai when they are kicking our main proposition around the block and I don't like to do it and that is the very strong feeling here.

MR. ATHERTON: Very good, Sir.

SECRETARY: If Sir John feels very strongly about that, I would rather make no answer myself and let him make what answer he wants rather than to be inconsistent about it.

MR. ATHERTON: You would rather he went along without the United States.

SECRETARY: Yes, I will make a statement to the press and just remain silent so far as Japan is concerned.

MR. ATHERTON: If Sir John feels strongly, you prefer that the United States make no answer, but in that case would you issue a statement or not?

SECRETARY: Well, that I have not considered, but I should probably have to make some statement to the effect that we have been requested for good offices and it has not been accepted and that is all there is to it.

MR. ATHERTON: Very good, Sir, I shall telegraph you this evening.

SECRETARY: All right, but I want you, above all, to make absolutely clear that I am going to make every effort. I have only just received his papers and I have been at work on my own lines for some time and I am not going to allow myself to act on the spur of the moment. I am treating Sir John the way I would and have already treated him in private practice, when we didn't agree on the first point, but I feel pretty strongly about the dignified way of doing this and I don't think it is dignified to continue a discussion while Japan is acting in this way here. I think the strong point is that it would be very unwise to get into the boycott.

MR. ATHERTON: Yes, Sir, that is all very clear. Good-night, Sir.

793.94/3977 : Telegram

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

SHANGHAI, February 5, 1932—6 p.m.
[Received February 5—12:30 p.m.]

4. Continuing my daily report of February 4, 9 p.m.

1. Heavy machine-gun and artillery fire at intervals throughout the night. Beginning with increased vigor at 7 a.m. and by noon had shown no signs of dying down. It is reported by police officers that three-quarters of Chapei has been destroyed. Reported but not confirmed that 4,000 Japanese troops were landing today at Paoshan Village outside Woosung. According to the best reports available regarding Woosung forts Chinese forces have not been wiped out nor forced to evacuate. It has also been reported that Japanese are starting a slight turning movement on Chapei from the rifle range. If this movement is pushed too rapidly it is liable to bring the western section of the Settlement guarded by American marines under fire. It is reliably reported that the Japanese placed additional artillery in the vicinity of Chinese public isolation hospital west of rifle range. So far as is known the Chinese forces are still holding the line opposite the Japanese. In the last attack the Chinese report that they drove the Japanese back behind their position along Shanghai-Woosung Railway leaving 30 Japanese dead. The Chinese suffered heavy casualties. Chinese later were forced to withdraw their lines on account of burning buildings set on fire by Japanese bombs.

2. Chinese today closed the Hungjao Road to traffic halfway between Settlement boundaries and Rubicon Road. St. John's University reported that Japanese aeroplanes were bombing in their vicinity about noon and that bombs had fallen within 200 yards of university compound.

3. Shipping in and out of Woosung is far below normal. February 4th, 10 vessels, including 2 Japanese destroyers entered and 18 departed including 7 Japanese destroyers. Average for month of November inward 23 and outward 22.

4. Three Japanese planes brought down by Chinese fighting planes, two out [of] control, third not accounted for.

5. Martial law has been enforced in Nantao and Chinese City between 6 p.m. and 6 a.m. Kiangnan dock ceases operation from today. There are now 65,000 war refugees in the Settlement.

6. The Shanghai special district court is only nominally functioning. Court officials are in state of panic.

Repeated to the Legation and Nanking and Tokyo for information.

CUNNINGHAM

793.94115/1 : Telegram

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

SHANGHAI, February 5, 1932—7 p.m.
[Received February 5—12:45 p.m.]

5. The Shanghai Municipal Council at its meeting yesterday decided to ask the consular body's support in securing the release of the prisoners that were being detained by Japanese military authorities in the Settlement. This request was orally transmitted to the Consul this morning and at a meeting convened for the purpose of considering what representation should be made, the Secretary General presented the action of the Council and stated that two suggestions had been made, first, that an international court should be established to try those prisoners detained by the Japanese and, second, that an international committee should be appointed by the body for the purpose of inspecting and determining whether a *prima facie* case existed against those prisoners detained.

The first proposal was considered impractical and difficult, if not impossible to carry into effect, therefore, the second proposal was being considered by the full body, including the Japanese Consul General, when the Japanese Consul General stated that the military authorities were prepared to turn over immediately those prisoners who were taken within the Settlement boundaries, upon the inquiry as to whether he would accept the services of an international committee to visit the prisoners, he stated that he would reply within a few hours but he felt sympathetic to the suggestion.

He stated that there were probably approximately 100 prisoners being detained, that there had been as many as 300, some had been

executed and some had been released. If, as I believe, the committee proposal is acceptable to the Japanese it is my intention to support the appointment of a committee of smaller powers supplemented, if it seems desirable at that moment, by one British and one American and my desires are to appoint Sellett if he will accept.

The Japanese Consul General assured us that reenforcements would not be landed in the Settlement; that they would be landed elsewhere. He stated that the Woosung Fort had not yet been occupied by the Japanese Navy.

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/3960 : Telegram

The Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, February 5, 1932—5 p.m.

21. For the Minister. Your February 4, 5 p. m. In view of Japanese Government's attitude toward peace proposals and apparent further preparation for hostilities and report now confirmed of despatch of large army contingents to an unknown destination in China, Department does not deem it advisable to make at this time special representations concerning disposal of Japanese naval forces at Nanking to which you refer. However, Department desires to be informed promptly of reaction of British and French Governments, when reported to you by your colleagues, to the suggestion.

STIMSON

793.94 Commission/66 : Telegram

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

WASHINGTON, February 5, 1932—6 p.m.

. . . . . .

1. Department assumes that the Minister has instructed you that you should cooperate with the members of the Shanghai Commission in studying and reporting upon the facts and causes of the incidents at Shanghai.

2. You should not sign the report but should address letter to Chairman of Commission, signing as American Consul General, either stating that you concur in the Commission's report or indicating any par-

ticulars in which you do not concur in the report. Telegraph action taken.[63]

3. Repeat to Nanking. STIMSON

393.11/1414 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 5, 1932—10 p.m.
[Received February 6—9:20 p.m.]

32. The Consulate General has today advised that all women and children and men whose presence is not urgently required in Nanking evacuate. Evacuation will begin morning of 6th, by passenger steamers and trains. Following statement has been released: the American Consulate General at Nanking is apprehensive lest it become daily more important to leave Nanking, should an emergency require such measures. The fighting in the Shanghai area continues with apparently undiminishing intensity and there is little prospect of the railway resuming operation in the future. Navigation on the Yangtze continues, but if hostilities should spread to larger areas this method of reaching Shanghai might, also, become obstructed. The Tientsin-Pukow Railway may be similarly obstructed at its southern terminus.

For these reasons the American Consulate General advises that American women and children in Nanking, as well as those men not engaged in important work here, should leave Nanking temporarily for some other place and return when the present military operations have terminated.

Repeated to Legation, Tokyo and Nanking.

PECK

793.94/3989 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 5, 1932—11 p.m.
[Received February 5—9:28 p.m.]

53. In conversation with Vansittart transmitting the substance of your telephone conversation this afternoon[64] it appeared that your views and those of Sir John Simon were in reality not very dissimilar. Accordingly we have framed the note hereinafter quoted which Foreign Office is also telegraphing to Sir John at Geneva with the possibility it may form the basis of an exchange of views between yourself and him. Vansittart's suggestion is that should something approxi-

[63] See telegram No. 17, February 8, 6 p.m., from the Consul General at Shanghai, p. 254.

[64] *Ante*, p. 221.

mating this note meet with your approval and Sir John's, it should form the basis of an identic note from the four powers to the Japanese Government and subsequently be made public. The text is as follows:

"On the request of the Chinese and Japanese Governments for good offices, the American, British, French and Italian Governments suggested the steps which they believed would not only terminate the critical situation at Shanghai but would ultimately set in course of solution the unhappy controversy between China and Japan out of which this situation has directly grown. The essence of this situation lay in the proposal for an immediate cessation of hostilities on the part of both China and Japan and the avoidance of further sacrifice of life.

The four Governments are grievously disappointed that while China has accepted unconditionally, Japan has not only declined but has sent troops to Shanghai which, unless every precaution including the institution of immediate negotiations is used, must tend to widen the conflict and intensify the dangers already so manifest.

The Commission of Inquiry set up under the League of Nations is, however, on its way. It will be borne in mind that the Commission was appointed with the assent of Japan and that its scope was at the request of Japan enlarged to cover such areas as Shanghai. Since the good offices of this Commission are available to both Japan and China, the four Governments anticipate that the Chinese and Japanese Governments will urgently invoke its assistance to solve the grave dangers of the present situation.

As regards the first three paragraphs of the Japanese reply, the Commission of Inquiry is being informed that the Chinese have accepted without reservation the proposals of the four Governments who confidently assume that the Japanese Government will modify its attitude accordingly and will instruct its representatives on the spot to be most moderate and conciliatory."

Sir John Simon will reach Geneva the morning of February 6 at 9 o'clock Geneva time.

ATHERTON

793.94/4030 : Telegram

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

NANKING, February 6, 1932—9 a.m.
[Received 4:18 p.m.]

Minister for Foreign Affairs informed me last night that having heard of the despatch from Japan of a division of Japanese troops to Shanghai the Chinese had no other recourse but to send reenforcements to their hard-pressed forces at Shanghai. He wished us to understand that this was not meant to be in violation of their acceptance of the proposals of the note in reference to cessation of troop movements but merely to meet a new phase already instituted by the

Japanese. He expressed urgently the hope that we would not permit Japanese to use Settlement as a screen for landing of reenforcements. He is very much worried about situation. He said Chinese aeroplanes had been instructed to keep away from Settlement.

JOHNSON

793.94/4004 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 6, 1932—1 p.m.
[Received February 6—10:05 a.m.]

9. Massigli states that a telephone message from Paris brings the information that the Japanese have definitely refused points 2 and 5 of the project urged by the United States, Great Britain, France, Italy and Germany and that London is much concerned over the possibility of the Inukai-Yoshizawa Cabinet being swept away and replaced by an openly military Cabinet.

Not only Massigli but several others active on the Council asked me my Government's views as to the next step assuming that when the message was drafted the possibility of refusal must have been contemplated and the next step envisaged.

If the Department could give me urgently its views on this question it would be useful to have them before the views of the Council become fixed and while their thoughts are still in a formative state.

The Department might also think it of value to send me from time to time an indication of the attitude of the American press to this problem.

WILSON

793.94/4002 : Telegram

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

SHANGHAI, February 6, 1932—3 p.m.
[Received February 6—9:10 a.m.]

7. Your February 5, 10 a.m.[65] The Municipal Council met shortly before noon January 28th and decided that a state of emergency should be declared as from 4 p.m. that day and Council issued a proclamation on January 28th declaring *inter alia* "that from 4 p.m. on Thursday January 28, 1932 a state of emergency exists and the Council authorizes the adoption of all requisite measures for the maintenance of order

[65] Not printed; it requested information.

and good government in the Settlement". Chairman of Council informed Senior Consul of foregoing on the same day and requested latter "to arrange forthwith for the landing of the international forces for the internal defense of the Settlement". It is my understanding that the declaration of a state of emergency is in effect notice to the commanders of the various national forces that they are expected to be providing to defend their sectors. I am informed that British and American troops started to occupy their respective sectors soon after the declaration of a state of emergency.

Repeated to the Legation, Nanking and Tokyo.

CUNNINGHAM

793.94/4007 : Telegram

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

NANKING, February 6, 1932—4 p.m.
[Received February 6—10:58 a.m.]

I have just received the following two notes from the Minister of Foreign Affairs, both dated February 5th:[66]

"Sir: I have the honor to state that the Shanghai Municipal Government submitted a telegraphic report on February 3, 1932, that the Japanese forces were still utilizing the International Settlement as a base of operations in attacks against the Chinese forces; that every day Japanese armed forces were passing through the International Settlement into the western part of Shanghai and other places, thereby increasing the anxiety of Chinese forces; and that a protest had already been filed with the Municipal Council of the International Settlement.

I have the honor to recall that this Ministry on January 31, 1932, addressed a formal note to you in reference to the act of the International Settlement in allowing the Japanese forces liberty to utilize Settlement area as a base for military operations, in which the Ministry requested that immediate telegraphic instructions be sent to the American Consul at Shanghai and to the officer in command of the American forces there not to further permit the Japanese forces to use the territory of the International Settlement as a base from which to launch attacks on Chinese-controlled areas. But, according to the report of the 3rd instant, already referred to, the authorities of the International Settlement are still permitting Japanese armed troops to pass through the International Settlement to the western part of Shanghai and other places, thus adding to the anxieties of the Chinese forces. This is extremely improper. I therefore have the honor, Mr. Minister, again to request that you speedily take strict action in accordance with my formal note of January 31, 1932, and favor me with a reply. Lo Wen-kan."

[66] The somewhat garbled texts of the notes as telegraphed have here been replaced by the texts later forwarded by the Minister in his despatch No. 1405, February 15, 1932; received March 12 (793.94/4729).

"Sir: I have the honor to recall that this Ministry addressed you formal notes on January 31, 1932, and February 5, 1932, in reference to the action of the International Settlement in Shanghai in allowing Japan to utilize the Settlement at will as a base of military operations, in which notes it was requested that an immediate end be put to this state of affairs.

I have the honor to observe that China has been very adversely affected by the action of the International Settlement in permitting Japanese forces to utilize the Settlement as a base of military operations. I now have the honor again to solemnly request that you immediately telegraph to the American Consul at Shanghai and the officer in command of the American forces there that the International Settlement must not be used to protect the Japanese forces and that the Japanese forces must be strictly prevented from utilizing the Settlement as a base for launching attacks on the Chinese forces; otherwise China will not assume responsibility if through these causes the International Settlement becomes involved in any trouble. I have the honor to bring these facts to your attention and to request that you take speedy action and favor me with a reply. Lo Wen-kan"

I desire to invite the Department's most serious attention to the notes above quoted and to state most emphatically my hope that the Department will see the serious situation into which the Japanese have put the International Settlement at Shanghai by their deliberate abuse of their responsibility under a scheme originally drawn up for the purpose of ensuring the protection of the International Settlement from outside attack. It behooves the American and British Governments to leave no effort untried to persuade the Japanese to leave the area of the Settlement lest all nationalities become involved in the chaos the Japanese have created there.

JOHNSON

793.94/3999 : Telegram

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

SHANGHAI, February 6, 1932—5 p.m.
[Received February 6—8:20 a.m.]

8. My telegram No. 5, February 5, 3 [7] p.m.

At a consular body meeting today to carry into effect the agreement with the Japanese Consul General that a committee be appointed to inspect the prisoners held by the Japanese, Committee of Four was appointed. The Japanese Consul General stated that all prisoners would be turned over to Settlement authorities today or tomorrow morning.

2. The Japanese Consul General stated confidentially for my information that tomorrow a mixed brigade of Japanese troops would be

disembarked in Shanghai and in a few days a second mixed brigade would land in China. Inquiry was made as to where the landing would be effected and he informed me at the Nippon Yusen Kaisha Wharf which is within the Settlement. He was reminded of his statement the previous day to the full consular body meeting, reported in paragraph 4 of my February 5, 7 p.m., and he simply waived it aside and stated that he was misinformed yesterday. My own impression is that the Japanese force[s] have not made the advance that was anticipated they would have made by tomorrow. Would not be finished in 48 hours. He admitted last night that he was disappointed in the advance that had been made, therefore, it would be prolonged. This is believed to be the real reason for not landing outside the Settlement.

Repeated to Nanking, Legation and Tokyo for information.

CUNNINGHAM

793.94/4006 : Telegram

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

SHANGHAI, February 6, 1932—6 p.m.
[Received February 6—11:55 a.m.]

9. Continuing my daily report of February 5, 6 p.m.

1. So far the situation remains unchanged. Last night passed quietly. This morning desultory firing continuing between Japanese forces and Chinese defenders. This afternoon at 2 o'clock Japanese aeroplanes flew over the concessions with the apparent object of bombing the Chinese position. Directly thereafter heavy bombardment started.

2. Heavy firing was reported in the vicinity of Paoshan Village near Woosung at 11 a.m. at which time Japanese aeroplanes began dropping bombs on Woosung forts.

3. The Japanese land plane that was forced down yesterday was picked up by American steamship *Hanover*. Chinese aeroplanes scattered circulars from the air to the effect that they intend to take defensive measures against Japanese planes but will not drop any bombs on foreigners or menace their safety.

4. In observance of Chinese New Year local banks will suspend business for 3 days commencing February 6th during which time all markets and shops in the Settlement will be closed.

5. At present there are 86,000 war refugees obtaining shelter in the Settlement. Large numbers of refugees have left or are leaving Shanghai daily for places in the country either due to terror or due to arrival

of Chinese New Year. This situation is relieving the situation.

6. At noon today the consular body had a meeting.

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/3999½

Memorandum of Trans-Atlantic Telephone Conversation [67]

SIR JOHN: Hello, is that you, Mr. Stimson? Simon here, I am speaking from Geneva.

SECRETARY: Yes, I know that.

SIR JOHN: I want to say that the Council of the League today did not take up this Japanese-Chinese thing at all. They didn't deal with it at all. I think it was very wise because I think we need not get things more exciting but the grounds upon which they were prepared not to take it up was that the good offices of the four powers interested in the International Settlement were still available and that discussion might still be going on. I will express my own view to you before you tell me your view. I do think it is very desirable that we should keep on having this sort of discussion. I have just had the Japanese Ambassador here and he certainly takes that view. He is very definite in assuring me that what the Japanese are wanting to do in Shanghai is merely to help their marines and to clear up a dangerous situation for the whole Settlement and I hope that we may get assurances according to that. The Japanese Government will be prepared to discuss everything with us, together.

SECRETARY: Now, Sir John, I have quite a different view and I want to talk to you very frankly about it. However, I will tell you first what has happened. This morning I have had word from Tokyo from our Ambassador there who says that your Ambassador and the French Ambassador are communicating the same thing to their respective Governments.[68] The substance of it is that the Japanese military, naval and Foreign Office authorities are trying to carry out a program involving an immediate cessation of hostilities in the Shanghai area. They are now ready to do that: cessation of hostilities; the creation of a neutral zone, but they are sending land forces to the extent of a division and a third of another division and they say that these land forces will replace the sailors in that portion of the region outside of the Settlement in Shanghai which is predominantly occupied by Jap-

[67] Between Mr. Stimson in Washington and Sir John Simon in Geneva, February 6, 1932, 2:30 p.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

[68] See telegram No. 47, February 6, 7 p.m., from the Ambassador in Japan, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 183.

anese. They ask that this arrangement be carried out from Shanghai and be not given the appearance of having been forced by a pressure from Washington and London and the other places and by the local authorities at Shanghai and they ask that we authorize the local authorities at Shanghai, the Consuls General, to negotiate this. Well, in other words, they desire to save their face as much as possible.

SIR JOHN: Now that situation has a very good side.

SECRETARY: Yes, I think it has. It amounts to the carrying out of the first part of our program in part, so far as it saves the Japanese from a fight which they have been carrying on rather unsuccessfully and, on the other hand, from the benefit of the objective we are working for. It would save a large land operation which might involve a much greater sacrifice of life and might involve continued peril to the Settlement.

SIR JOHN: I am afraid——

SECRETARY: It would have some advantages to us.

SIR JOHN: Because you mean we should not get involved?

SECRETARY: It would have the advantages of an immediate truce and it would avoid what we have been afraid of—that the Japanese were intending to land this force further down the River, march it over land and attack the Chinese in considerable force outside the Settlement, possibly driving them against our end of the Settlement. It would certainly avoid that if it was accomplished as they say they seek to do it now, namely, through a truce or an agreement with the Chinese.

SIR JOHN: They want us to help them to make a truce with the Chinese?

SECRETARY: Yes. My position is this. I have no objection to this being tried—a truce being worked out this way by the local authorities along the lines we have suggested—but I am unwilling to have it give any recognition to a permanent occupation by the Japanese.

SIR JOHN: I quite agree with you.

SECRETARY: The local authorities should be watched on that point and also on the point of preserving the open port during the future, which is involved now under many circumstances and operations, and they should also preserve the point we have already been insisting on, namely, that the International Settlement should not be used as a base of operations.

SIR JOHN: How do they propose to introduce their new forces?

SECRETARY: They propose, at present, to introduce them through the Settlement, but through the end of the Settlement known as Hongkew——

SIR JOHN: To the north?

SECRETARY: No, to the east, the Japanese end. I consider that the

question is largely a matter to be left with the local authorities. It might be good and it might be bad—that method. It might be good if it was arranged with the consent of the Chinese for the purpose of replacing the present Japanese sailors. It would be bad if it was allowed to take the form of using the Settlement as a base for new operations. There is great danger that the Chinese would regard it in the latter light.

SIR JOHN: It is really additional troops.

SECRETARY: Yes, it is really additional troops, about twelve thousand additional troops; a division and a third. So far as I know they are only going to remove a small portion. They are likely to leave the larger portion there for an indefinite period. I want to say something more. I am willing and I proposed to instruct Mr. Cunningham, our Consul General, that he might go ahead to negotiate with the others on these lines if it came up, but I want to reserve our full rights in the following respects.

SIR JOHN: I think I will get this taken down.

SECRETARY: Provided that you agree.

SIR JOHN: I quite follow, and we must get the French and Italians, the Italians anyway.

SECRETARY: I don't want anything done which amounts to an approval of the past—what has been done in the past—what I mean is I want to reserve the right, after further consultation with you, to make a statement of our disapproval of what has taken place in the past in case after further conference or otherwise it appears desirable. Now, I want to say this about what you said in the beginning and about your answer which I received yesterday through London.[69] My trouble with your suggestion about continuing the negotiations was that it took away from the moral disapproval that I thought we should otherwise show. I don't think it is dignified to go on negotiating with Japan after she has refused the essence of our proposal. The essence of our proposal was that there should be a complete cessation of hostilities. China agreed unconditionally; Japan not only did not agree completely to that proposition but she has gone on sending in additional troops and the excuse for these additional troops is not satisfactory to my mind.

SIR JOHN: It increases the area of conflict.

SECRETARY: Yes and we all of us here felt very strongly that it was better to end up the correspondence between our countries and Japan by a simple statement to that effect, saying that we had offered a proposal that was fair, and that we all agreed to as fair, and that Japan

[69] See telegram No. 53, February 5, 11 p.m., from the Chargé in Great Britain, p. 228.

had rejected it, while China had accepted it and we were sorry; that we would leave it at that point and not be going on with the suggestion about the Manchurian Commission to leave it open for a further snub from Japan. That was——

SIR JOHN: Well, doesn't that come to this, the first part and the middle part of the draft which Atherton discussed was sent to you. If you have it before you it begins: "For an immediate cessation of hostilities on the part of both China and Japan and avoidance of further sacrifice of life et cetera".

SECRETARY: You need not read it as I have it before me.

SIR JOHN: Only it seems to be very much in line with what you are saying.

SECRETARY: Oh, that is all right.

SIR JOHN: You agree to paragraph one?

SECRETARY: Yes. Now the part that we are not in agreement on was the proposition that we should go on with the further suggestion about the Commission of Inquiry set up under the League of Nations, and the reason was this. Are you on?

SIR JOHN: I hear you very well.

SECRETARY: Our reason is this: the chief trouble is that it gives Japan a new proposal to refuse again. In this country we feel that we have gone to the extreme limit in making suggestions and that it is time to stop and leave her in the wrong.

SIR JOHN: Have in mind, Mr. Stimson, that we have got to keep something or other going and it greatly helps for the moment for some discussion with the Council of the League. How are you going to combine the two paragraphs that you agree with, with what you tell me first about Japan's plan?

SECRETARY: The two things are entirely separate. I was going to suspend all communication for the present. I was not going to send any draft until you got back to London or until after the truce had been arranged. Just let me explain a moment.

SIR JOHN: We did not formally declare there was a break, but you would not put forth any statement at the moment.

SECRETARY: The news which we have received from Tokyo this morning and the request which Japan has made supersedes any statement made today.

SIR JOHN: I think that is quite right. I have not yet received that message but I will get it, and then we should all be at one. Your idea is don't make any public statement; that there is nothing more that we can do. Wait until the truce is drawn up but guard yourself against encouragement to go into their truce and at the same time and at the proper time publish these two paragraphs we have been going over.

SECRETARY: Either that or some new version brought up to date.

644591—48——22

SIR JOHN: I quite follow. For the moment Japan has requested that nothing in the shape of further representations be made from Washington or London to Tokyo; that Japan is making representations to us through the local authorities at Shanghai.

SECRETARY: I mean she is representing that these negotiations be carried out by the truce.

Well now, Sir John, let me try to make this clear. What I mean is this morning after we had prepared a reply to you on this paper that lies before you there came this new suggestion from Tokyo. The new suggestion involved a request that we keep silent while the truce was being arranged locally at Shanghai. Now, we are willing to do that temporarily to give them a chance to make a truce, provided the local authorities preserve the three points that I mentioned to you: no precedent for permanent occupation and the open port and no use of the Settlement as a base, but we also on our part want to have them to appraise the whole situation after they have made this effort at the truce and to see what we will do then in the way of a statement which will finally sum up our moral position before the world. That is what we will have to talk over with you later. Just let me say this. You naturally are concerned with your relations with the League in Geneva and you see the difficulties there. We are concerned with the public opinion of this country on the moral issue towards Japan and we have to preserve our freedom with respect to that and it is very serious. I believe that the whole movement by Japan, represented by this proposal this morning, has come because she has been beaten. She has found the whole public opinion of the world against her, particularly the solid alignment of Britain and America, followed by France and Italy. She has been unable to drive the Chinese forces out in the easy way she expected. All of that has brought her to a realization that she has bitten off more than she can chew.

SIR JOHN: Certainly her sailors——

SECRETARY: Her sailors have and the Government have, and the information which we get this morning is that the Government realizes that fact and they have had a serious crisis there. They have a monetary, a financial crisis on them. We don't want to give her any way out of the moral impasse that she has gotten into on the moral question of Shanghai by any tacit or express approval that can come out of any arrangement or anything we may say in our notes to her. That in our opinion entirely overrides the importance of keeping in touch with her on those last two paragraphs of your note. I don't like the idea of trying to hang on to her coat tails in a discussion which she has already treated with scant respect.

SIR JOHN: That is how I feel about it. You say, quite truly, that I am looking at it from this end. Of course we must remember that the

Council of the League is also rather affronted at the way Japan has behaved, and I think it is desirable that you and I should make the most of the opportunity which has been created and shouldn't have a certain action taken by the Council of the League which might interfere with the proper settlement. Now I want to keep the Council of the League quiet. I told them today that I didn't think it was necessary for them to pass a resolution because the powers, America and ourselves and the others, were to make a declaration like you say, as all we desire is to get the fighting stopped and if this offer of Japan's is a means of getting that done, I agree with you altogether and I will give orders to our man and you can give orders to yours, but in the meantime agree that we won't publish anything, and we will leave the thing as it is with nothing said.

SECRETARY: I think, as I understand you, that is right. I think for the present we should keep quiet as to any reply to the Japanese note or the Japanese communication to us the other day.

SIR JOHN: Right, I agree with you.

SECRETARY: On their part, I hope the League will keep quiet with any inflammatory resolutions on their part, but I don't want anything done on the other hand which would imply approval either by the League or us of what has been done and, in the third place, I don't want to give Japan another opportunity to snub us by holding out any new suggestions about the Manchurian Commission of Inquiry.

SIR JOHN: I am sure that Japan attaches much more importance to the Manchurian side of this than she does to anything else.

SECRETARY: I know that; I think your suggestion about the Commission of Inquiry is a valuable one but there is no hurry about making it because they cannot get there for nearly a month and there may be many opportunities before then to make that suggestion. To make it at present in this note of ours would, on the other hand, give a dangerous opportunity for Japan to confuse the moral issue.

SIR JOHN: I understand that we will tell our man in Shanghai to cooperate with yours in trying to work out the truce locally and neither you nor I will make any public statement at present. I shall keep the Council of the League from doing anything rash or provocative and we shall hear in a day or two how things are working out.

SECRETARY: I see. Well that, I think, covers mainly what I want to say to you. When will you be back in London?

SIR JOHN: I will probably be in Geneva until Thursday or Friday.[70] I am going to speak at the Disarmament Conference on Monday and I shall probably be there until Wednesday or Thursday or Friday. Mr. MacDonald is getting on very well.

[70] February 11 or 12.

SECRETARY: I am very glad to hear that.

SIR JOHN: I am in touch with him all the time.

We have a man here, I think his name is Wilson, who has asked me whether I would like to talk with him about the Japanese-Chinese situation. I think he is one of your men here at the League.

SECRETARY: Yes, he is our American Minister to Switzerland.

SIR JOHN: Had I better talk with him about it—how matters stand —or is it just between you and me?

SECRETARY: I am perfectly willing that you should talk with him on any matter that you or he wants to talk about, but in case of any important decision, you call me up on the telephone.

SIR JOHN: I shall do that. What I like about your plan or your whole scheme is that it keeps us well away from this question about economic things and all of Article 16. I think it is wise to keep away from that.

SECRETARY: We have to; we are outside the League.

SIR JOHN: I don't think that sort of thing is the way to do it.

SECRETARY: What I think I can hardly breathe aloud. I am willing to keep Japan guessing as to what we are going to do but that I don't discuss, it is a little dangerous over the telephone even. Now, if anything should come up there is only one thing in what you have just said in summing this up which I want to just make this remark about. My proposition was that we do not send any more communications to Japan during these two days. You went a little bit further and said that we would not make any public statements. I have no intention of making a public statement just now, but a situation might come up where something might have to be said for our situation here. While I don't expect to say it and while I should try to speak to you beforehand, that is the only difference that I see at all. My reason for this is that it helps me very much to study the Council of the League if the thing remains as it is. They suggested that we were disinteresting ourselves and could do no more. There is much more risk that something rather striking might be done here.

SIR JOHN: I see that perfectly and I shall remember that.

793.94/4003 : Telegram

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

WASHINGTON, February 6, 1932—5 p.m.

44. Your 47, February 6, 7 p.m.[71] Department is conferring with British Government and expects to be able to instruct Cunningham

[71] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 183.

that, if asked by the Japanese, he shall cooperate.[72]

For the moment, you should refrain from expressing to the Japanese Government any views with regard to its project. If asked for information, you should simply say that you have transmitted the information given you and that Department informs you that the matter is being given its careful attention. Above all, avoid giving the Japanese ground for any impression that we view with equanimity their sending army reinforcements to Shanghai and their intention expressed to you to land such within International Settlement boundary.

STIMSON

793.94/4027 : Telegram

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

NANKING, February 6, 1932—7 p.m.
[Received 9:12 p.m.]

Following telegram has been sent to Shanghai:

February 6, 7 p.m. Please communicate the following to Admiral Taylor:

"British Admiral informed British Minister Friday[73] that he had seen the Japanese admiral who agreed that he (the Japanese admiral) would withdraw within the line of Settlement which includes salient of Hongkew Park if the Chinese will evacuate Chapei and Pao[shan?] behind line approximately joining north bend Soochow Creek in Settlement and Sikh crematory and sewage treatment works just north of Hongkew. Area evacuated to be occupied by international troops.

British Minister has shown this suggestion to Lo Wen-kan and Chen Ming-shu who agree in principle provided it does not imply 1900 [*1901*] protocol[74] terms or principles at Shanghai and that it is only a temporary arrangement. They will discuss proposal in detail and inform Sir Miles tonight whether they are ready to instruct Chinese general at Shanghai and Mayor of Shanghai to negotiate on these terms. I hear you will cooperate with British commander in chief in his efforts to bring about cessation of hostilities and restoration of peaceful conduct at Shanghai."]

JOHNSON

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[72] See telegram No. 3, February 6, 8 p.m., to the Consul General at Shanghai, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 184.

[73] February 5.

[74] Signed at Peking, September 7, 1901, *Foreign Relations*, 1901, Appendix (Affairs in China), p. 312.

793.94/4003 : Telegram

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

WASHINGTON, February 6, 1932—8 p.m.

45. Your 47, February 6, 7 p.m.[75] Department is telegraphing the American Consul General at Shanghai, authorizing him, if approached by the Japanese authorities at Shanghai and if British and other authorities are so approached, to cooperate in attempt to work out a solution on the basis of the program referred to in your telegram under reference as being proposed by the Japanese.

I am instructing the Consul General at Shanghai as follows:

[Here follows quotation of telegram No. 3, February 6, 1932, 8 p.m., printed in paraphrase in *Foreign Relations*, Japan, 1931–1941, volume I, page 184.]

STIMSON

793.94/4014b : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, February 6, 1932—8 p.m.

56. I held telephone conversation with Sir John Simon this afternoon. We have agreed that, in view of the Japanese project with regard to Shanghai reported by our respective Ambassadors in Tokyo, we will for the moment (*a*) suspend consideration of the note or notes under discussion during the past 2 days and (*b*) instruct our respective authorities at Shanghai, in case they are approached by Japanese authorities with regard to local negotiations, to cooperate.

Supplementing this conversation, I desire that you inform the Foreign Office of the above and of what follows and request that what follows be communicated in substance to Sir John Simon. At the time of our conversation, he had not yet received news of the Japanese Government's project; but he agreed that the two Governments should act along similar lines.

I am instructing the American Consul General at Shanghai that, if so approached by the Japanese authorities, and if British and other authorities are so approached, he should cooperate with those and other authorities in an attempt to work out a solution on the basis of a program proposed by the Japanese which contemplates immediate cessation of hostilities in the Shanghai area, establishment of a neutral zone to be patrolled by neutrals, and some other features not definitely specified. The American Ambassador, Tokyo, reports he is informed

[75] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 183.

that 3,000 Japanese troops will arrive in Shanghai or vicinity Sunday; that no other Japanese land forces have as yet left Japan; and that no more will be sent before Sunday or Monday, if at all.

For Consul General's special guidance, I am stating to him that:

"We wish you to understand accurately our views, so that in your necessary work of participation in the negotiations you may protect the American interests involved without permitting commitments or precedents which may be embarrassing in the future.

First. This Japanese proposal is in no sense an acceptance of the recent proposal of the four powers for a permanent termination of the controversy. It omits the vital consideration inuring to the benefit of the Chinese. It must, therefore, be considered wholly as a proposal coming from Japan.

Second. Our interests, nevertheless, will be greatly benefited by a cessation of the hostilities which are now endangering the International Settlement, provided such a truce does not lay the foundation for a greater peril hereafter or obscure the principles which are now maintained for the protection of the International Settlement.

Third. With the foregoing in mind, (*a*) you should neither consent to nor, if possible, permit the landing of any new troops in the International Settlement except such as are designed for participation in the protection of the Settlement itself and are not intended for operations outside. If this principle is evidently to be violated, make an appropriate protest. (*b*) You should endeavor to secure as broad commitments as possible from both the Japanese and Chinese authorities to the effect that there shall be no interference with the neutral trade and commerce of the Port of Shanghai at any time, now or in the future; (*c*) you should endeavor to obtain commitments from the Japanese to the effect that none of the proposed new forces are intended for any permanent occupation outside the International Settlement and that all of such forces over and above the ordinary garrison heretofore maintained will be withdrawn as soon as the emergency is over; (*d*) you should avoid any pressure upon the Chinese which may give them any opportunity for statement or belief that we have sided with Japan in forcing them to make a truce to their own disadvantage, or any pressure upon them for action on their part which is not necessary for the defense of our interests in the International Settlement; (*e*) if the negotiations result in a proposal of a neutral zone outside of the Settlement between the present combatant forces, said zone to be patrolled by neutral forces, the American authorities are authorized in their discretion to acquiesce and participate, provided the Chinese have consented to such a zone.

Keep us advised of the progress of the negotiations and report any difficulties to us for such assistance as we may be able to give you.

You should inform Admiral Taylor in confidence, regarding the above. For the moment the Japanese Government requests strict secrecy."

STIMSON

793.94/4004 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 6, 1932—8 p.m.

6. Your No. 9, February 6, 1 p.m. With regard to my views on question of the course which may best be pursued in the light of the Japanese reply to the suggestions advanced by the American and other governments, it is suggested that you inquire of Sir John Simon.

For your confidential information, he is aware of my views and you may inform him that I have so informed you.

The foregoing is confidential to you and to Sir John Simon.

STIMSON

793.94/4007 : Telegram

The Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, February 6, 1932—8 p.m.

23. For the Minister. Your February 6, 4 p.m.

1. The Department refers to its telegrams to you No. 30, January 28, noon; No. 35, January 30, 1 p.m.; its telegram to American Consul, Shanghai, for you, dated January 31, 8 p.m.;[76] its telegram to the American Consul, Nanking, January 31, 8 p.m., and its telegram to the American Consul, Shanghai, February 3, 11 p.m., which was to be repeated to Nanking.

2. In your contacts with the Foreign Office and other Chinese officials, the Department trusts that you have made use of the information contained in the Department's instructions above referred to, and others, at least to the extent to which the information contained therein, for your confidential information, has become a matter of common knowledge through the press.

3. In the meantime, the Department has also been engaged in an exchange of views with the other interested governments to the end that the situation at Shanghai might be relieved, as evidenced by the Department's instruction to Nanking No. 12, February 1, 3 p.m., and the instructions which are being sent to Shanghai today to the same end.

4. You may in your discretion formulate your reply to the notes of the Minister of Foreign Affairs, dated February 5,[77] on the basis of the telegrams referred to in paragraph 1 of this instruction; and you may assure the Minister that this Government, together with the other

[76] None printed.

[77] See telegram of February 6, 4 p.m., from the Minister in China, p. 231.

interested governments, is giving the matter referred to in his communications its continuous and most solicitous consideration.

STIMSON

793.94/4031 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 6, 1932—10 p.m.
[Received February 6—5:55 p.m.]

12. Text of communiqué issued after today's private meeting of Council referred to in my 10[78] follows:

"The members of the Council other than the parties met at 4:30 to hold an exchange of views. They were of the opinion that in the present circumstances since the steps of the powers brought to the notice of the Council on February 2nd are not terminated a debate on the Sino-Japanese dispute at the public meeting today would not be advisable."

WILSON

793.94/4025 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 6, 1932—11 p.m.
[Received February 6—6:15 p.m.]

13. Yen has just called and stated that the particular task for which he was sent here was to keep pressing the Far Eastern situation on the League. On the other hand, with his deep appreciation of all that the United States was doing to help China, he was unwilling to take any steps that might embarrass our Government in its efforts. He had been told by Thomas that it was desirable to refrain from urging his case further on the Council at this moment because of the negotiations in course. He is anxious to ascertain from us whether this is also our advice.

Specifically he does not know whether the Japanese reply to the British and American Ambassadors in Tokyo means that these negotiations are finished and that he should again revive the matter with the Council, or whether negotiations are still in course which would render it advisable for him to delay. He points out that there are three separate undertakings: the Lytton Commission; the Consular Commission in Shanghai; and the *démarche* of the great powers, and that it is very confusing here to so guide his course that he will not do

[78] Not printed.

anything that might embarrass one of these activities while endeavoring to urge action on the others.

He will be deeply grateful for any guidance that you would permit me to give him.

He adds that the Chinese Chargé d'Affaires in Washington is naturally sending what he can but that this is not entirely adequate for him to so select his path in the way that will be most agreeable to the United States.

WILSON

793.94/4026 : Telegram

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

PEIPING, February 7, 1932—9 a.m.
[Received February 6—11:56 p.m.]

204. Following from the Minister at Nanking:

"February 5, 9 p.m. Nanking is quiet at present. General Ho, the Minister of War, told me today that through friends he had arrangement with the Japanese naval units here that neither side should threaten the other. He stated that Chinese troops had been withdrawn 5 miles inland from Pukow. American citizens who are neighbors of the General nevertheless assure me that he is constructing a concrete refuge in his own premises. Chinese airplanes arrived in Shanghai this morning to assist the Army and they have reported a successful encounter with Japanese planes in which the Japanese lost two planes. I have been told that the Chinese planes carried no bombs.

My British colleague arrives on Saturday morning and he and I and our French colleague and the German Counselor will meet daily at 11:30 a.m., to exchange information.

The Consulate General, with my approval, is advising that American women and children leave Nanking in view of the fact that a possible extension of the present military activities would make it difficult to evacuate should there be an attack."

For the Minister:
PERKINS

793.94/4034 : Telegram

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

SHANGHAI, February 7, 1932—11 a.m.
[Received February 7—6 a.m.]

10. Mayor's representative informed me today that it had been decided to use Chinese aeroplanes against the Japanese, but he assured

me that Chinese aeroplanes would not carry bombs and would take every precaution to prevent endangering the Settlement.

Repeated to Legation, Nanking and Tokyo.

CUNNINGHAM

793.94/4029 : Telegram

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

TOKYO, February 7, 1932—4 p.m.
[Received February 7—6:10 a.m.]

49. Referring to your telegram No. 44, February 6, 5 p.m., our staff have conferred with officers with whom they have contacts in various Japanese offices. Neither I nor any of them have said anything that could be construed as expressing our personal assent or the assent of our Government to the course pursued by the Japanese in relation to Shanghai, and have consistently urged the cessation of hostilities and acceptance of the points enumerated in your telegram No. 34, February 1, 3 p.m.[79]

I believe all officers of the Army, Navy, or civil departments in the Japanese Government know that we look with the gravest concern upon their action in sending troops to Shanghai. My staff and I have done our best to convince them of this.

I am informed that instructions have been sent to the Japanese commanding officer in Shanghai to place his force under the strictest discipline to avoid unpleasantness with other troops and civilians in the Settlement, clashes with Chinese troops if it can be avoided.

FORBES

793.94/4037 : Telegram

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

PEIPING, February 7, 1932—5 p.m.
[Received February 7—7:25 a.m.[80]]

207. Following from American Consul General at Harbin.

"February 6, 11 a.m.

1. Chinese soldiers commenced to retreat from their position south of Harbin early yesterday morning, some of them passing in slight disorder through residential section, some retreated across the Sungari and others eastward, followed, it is believed, by Japanese detachments. Aside from slight looting in Fuchiatien, little damage was done and

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[79] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 174.
[80] Telegram in two sections.

as far as is known six Russians were killed and a few wounded by them. No Americans nor other noncombatant Russian foreigners injured, and no complaints have been received by this office concerning American property losses suffered. About 500 Chinese soldiers were wounded in the 2 days' fighting.

2. The Japanese troops commenced to enter Harbin at 1 p.m., without meeting any resistance, Fuchiatien was occupied by them at 3 o'clock, and General Tamon with the main force entered at 6 o'clock. Total force estimated at 5,000 fully equipped while Chinese, poorly equipped, numbered about 15,000.

3. Japanese military mission with Dohihara as head in control of wireless station, land telegraphs and telephone systems but after representations by me Ohashi informed me that he arranged with the Japanese commander to permit the filing of foreign official and commercial telegrams. No telegram in the Chinese language can be sent. Postal service so far has not been molested.

4. Despite assurances of Ohashi that Japanese troops were coming to Harbin solely to protect Japanese and their property, all local Chinese official institutions are under Japanese military control.

5. Traffic has been restored on the southern line of the Chinese Eastern Railway, the eastern line is functioning normally and the western line will soon be repaired.

6. Attitude of the Chinese populace might be described as sullen and [*contrary to?*] that of some of the White Russians."

[For the Minister:]
PERKINS

793.94/4045 : Telegram

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

SHANGHAI, February 7, 1932—5 p.m.
[Received February 7—12:30 p.m.]

11. Continuing my daily report of February 6, 6 p.m.

1. Last night the Japanese forces shelled the Chinese positions with heavy artillery. The bombardment continued for approximately an hour. Since then the desultory firing has continued. Defense headquarters was informed by the Japanese that the bombardment of North Station would re-commence today. The Japanese requested the use of one of the Settlement blockhouses for an observation post, but this was refused. Chinese refugees who have received word of the impending bombardment are pressing against the defense lines for admission. These are being admitted.

2. A member of Consulate visited the principal streets of the Hongkew area. There were only six municipal police on duty, four of which are Japanese, while several hundred Japanese marines armed with

bayonets were on duty. There were no Chinese living in this area. In many sections of Hongkew the municipal police are not permitted to resume function.

3. It was discovered on this tour of observation that the consular proclamations to the effect that the property of the American Law School was American had been torn down and the property had again been broken into.

4. The Japanese Consulate informed me this morning that one mixed brigade of Japanese troops would arrive this afternoon in Shanghai. This force is to be brigaded with the Japanese naval landing forces. This contingent is to take over Woosung. It is understood that 600 Japanese troops are to land south of Woosung. It is understood that operations against Woosung commenced this afternoon 3:30 p.m. Still fighting.

5. The Japanese have established an aviation landing field on the edge of the Settlement in the Yangtzepoo district three-quarters of a mile this side of the Shanghai Baptist College. It is reported that there are 14 land planes on this field.

6. It was also reported from fairly reliable sources that the Chinese planes are dispersed over various emergency landing fields in the vicinity of Shanghai.

7. [Apparent omission] of the Chinese civilian prisoners mentioned in my February 5, 7 p.m., which were being held under detention by the Japanese military in Hongkew have been turned over to the Shanghai Municipal Council.

Repeated to the Legation, Nanking, and Tokyo for information.

CUNNINGHAM

793.94/4044 : Telegram

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

SHANGHAI, February 7, 1932—6 p.m.
[Received February 7—2:10 p.m.]

12. I have just been assured by Consul General Murai that the military force arriving today would not be landed in the International Settlement. That it is the intention to land at Woosung and he believed they had already landed at 5 o'clock. Refer to this office's telegram No. 8 of February 6th, 5 p.m. Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/4039 : Telegram

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

TOKYO, February 7, 1932—9 p.m.
[Received February 7—12:10 p.m.]

50. This morning Japanese Admiral Toyoda visited me, as he expressed it "non-officially", and explained at length the events leading up to the Shanghai incident. He described the present situation as going from bad to worse. He stated that the first attack on the night of the 28th was wholly unexpected. The Japanese marines were proceeding peaceably to take up the position allotted by the Defense Committee for guarding their nationals. The Chinese police of the Chapei district to the number of 2,000 had deserted that afternoon leaving it unguarded—an indication that they had prior knowledge that trouble was expected.

Asked whether the Chinese attack was ordered from Nanking, he said positively he believed not.

I then asked if they had any information as to whether the order was given by Chinese generals, or was a chance order by a subordinate. He said they had none, but that, without any proof, they strongly suspected that there was a strong Red element in the Chinese armies and that this was done deliberately in the expectation of bringing about a war between China and Japan.

He stated that two armistices were concluded on ensuing days, both of which, he claimed, had been broken by the Chinese, which lends color to the above idea. He stated that the troops are mostly Cantonese and not under the control of Chiang. He admitted, and expressed regret for, atrocities committed by Japanese lawless element among the civilian population, described as gangsters. These elements were being returned to Japan.

He reiterated the information forwarded in my telegram No. 39, February 4, 10 p.m.,[81] to the effect that the Japanese land troops now proceeding to Shanghai were under orders to act as much on the defensive as possible and not to extend their lines, although they might be compelled to attack positions that were throwing shells or menacing their [*the?*] Settlement.

He stated the Woosung forts were not yet occupied; and that, while not absolutely certain of the plan, he believed that if unobstructed passage of the river were permitted troops would go directly to the Settlement and land there; otherwise they might have to land and clear the river bank, both sides of which were lined in places with trenches and snipers.

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[81] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 180.

He also repeated that these troops were for relief reinforcements of existing exhausted forces of marines.

Admiral Nomura is expected to arrive today, and it is hoped he will take immediate steps to put plan outlined in my telegram No. 47, February 6, 7 p.m.,[82] into effect.

A civilian informant states that the rural population are strongly national and supporters of the Government program of force, and he predicts a change in attitude after election.

FORBES

793.94/4041 : Telegram

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

TOKYO, February 7, 1932—10 p.m.
[Received February 7—11:45 a.m.]

51. My telegram No. 47, February 6, 7 p.m.[82]

To advise the Department more fully of the part played by our staff in connection with Japanese proposition: the movement began as a result of some excellent work by Neville and McIlroy, both of whom urged upon persons with whom they had contact, the importance of Japan in her own interests, accepting more definitely the propositions contained in your telegram No. 34, February 1, 3 p.m.[83] Neville was advised that the Japanese authorities felt their negotiations in connection with the propositions contained in our telegram No. 47, February 6, 7 p.m., had best be worked out in Shanghai. The proposition was made by Nagai, after full consultation with other departments which were working on the same general plan. Admiral Toyoda had also developed it in discussion with Lindley. For effect on Chinese the Japanese may prefer it should not appear as their suggestion and may want to call it ours or an international suggestion. This might be important.

FORBES

793.94/4051½

Memorandum of Trans-Atlantic Telephone Conversation[84]

GIBSON: Did the Secretary tell you about his talk with Sir John Simon?[85]

CASTLE: Yes. The Secretary is on the wire now.

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[82] *Ibid.*, p. 183.
[83] *Ibid.*, p. 174.
[84] Between Mr. Castle and Mr. Stimson in Washington and Mr. Gibson in Geneva, February 8, 1932, 2 p.m.
[85] See memorandum of conversation, February 6, 2:30 p.m., p. 234.

GIBSON: I had a very satisfactory talk with Sir John Simon and he brought me up to date in the matter and he is hoping to be able to keep the Council from taking vigorous action while negotiations are pending.

SECRETARY: I think that is probably wise, but I am not very troubled even if they did. I am not in a very pacific frame of mind.

GIBSON: I understand.

SECRETARY: So long as they are instituting on the Japanese initiative some proposals which may probably affect the truce in Shanghai. We agreed with Sir John that it would be wise not to rock the boat.

GIBSON: Yes, all right. Yen, the Chinese Minister, has asked for a meeting. There probably will be a meeting tomorrow.

SECRETARY: I don't want to have the American representative at Geneva try to hold China down.

GIBSON: All right. No such action.

SECRETARY: The sympathies of this country are at present very strongly with China on the Shanghai affair. While we are taking a neutral position, of course we feel that she has been outrageously treated.

GIBSON: All right, Mr. Secretary, I am very glad to have your view.

SECRETARY: If that be treason, make the most of it.

GIBSON: All right. Good-bye.

793.94/4050 : Telegram

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

NANKING, February 8, 1932—3 p.m.
[Received February 8—11 a.m.]

Unless otherwise instructed I shall go to Shanghai taking with me Naval Attaché, leaving Engert and Murray here. My British colleague and I believe that our presence at Shanghai might help in current negotiations for peace.

Repeated to Peiping, Shanghai, Tokyo and commander in chief.

JOHNSON

793.94/4050 : Telegram

The Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, February 8, 1932—6 p.m.

25. For the Minister. Your February 8, 3 p.m. Department approves.

While it assumes that problems relating to the negotiations referred

to in its instruction of February 6, 8 p.m. to Shanghai,[87] should such negotiations materialize, would be handled by Cunningham and other local officials there, the Department feels that the presence and advice of yourself and of your British colleague would greatly assist toward prompt and satisfactory solution of various of the problems outstanding in the critical situation there.

STIMSON

793.94/4025 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson)

WASHINGTON, February 8, 1932—6 p.m.

8. Your 13, February 6, 11 p.m. For your information and guidance.

The Department appreciates Yen's desire not to take any steps which might cross wires with the efforts of this Government. At the same time, it is difficult if not impossible for the Department to give to the Chinese or to any other states members of the League advice in reference to their possible courses of action under and in relation to the Covenant.

Department assumes that Yen understands that we, together with governments of other powers most concerned, are devoting our best efforts to the problem of averting further unfortunate developments in the situation and toward suggesting ways and means which may be agreed upon by the parties most concerned by which the phase of violence and hostilities may be brought to an end and constructive effort toward a satisfactory settlement of the issues between China and Japan be begun.

You should explain all this to Yen informally and add expressly that for the moment the acute emergency at Shanghai has the concentrated attention of several governments and that efforts are being made to avert tragedy and further complications there; but the peace proposals of the powers have not been dropped. Say that the advisable course, for the moment, would seem to be for him to be guided by the suggestion made to him by Thomas as reported in your telegram under reference; that we wish to be helpful but we cannot assume the responsibility of suggesting what path he should follow; and that he should make the best use he can of what he learns from those of his colleagues on the Council in whom he has most confidence and of the advice of his own counselors.

STIMSON

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[87] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 184; cf. telegram No. 56, February 6, 8 p.m., to the Chargé in Great Britain, *ante*, p. 242.

711.94/637 : Telegram

The Secretary of State to the Ambassador in Mexico (Clark)

WASHINGTON, February 8, 1932—6 p.m.

27. Your 35, February 6, 3 p.m.[88] When a suitable opportunity offers you may express informally to the Minister for Foreign Affairs the appreciation of the President and myself for the assurance on the part of the Mexican Government that in case of difficulties between the United States and Japan, Mexico would neither directly nor indirectly be allied or associated with Japan. A similar appropriate expression of appreciation may be informally conveyed by you to the Minister of War. You will understand that no publicity for such a message should emanate from any source.

STIMSON

793.94 Commission/86 : Telegram

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

SHANGHAI, February 8, 1932—6 p.m.
[Received February 9—2 a.m.]

17. Department's telegram of February 5, 6 p.m. Minister's instructions referred to in second paragraph were received February 5th. On February 6th I met in cooperation with Committee and concur in general in first report issued February 6th covering events up to and including January 31st.[89] I have so informed Italian Consul General, chairman of Committee.

The first report contains approximately 3,000 words and states in the preamble that it may require succinct [*subsequent?*] correction in detail or amplification and will be followed by reports of subsequent events. I shall not cable it in full unless instructed. However, following paragraph concerning Japanese action on the night of January 28th is quoted for the Department's information.

"Japanese marines and armed civilians, having mobilized at naval landing force headquarters, advanced along North Szechuan Road and westward along Range Road as far as North Honan Road, dropping parties at the entrance of alleyways as they went along, and at midnight, at a given signal, all these parties advanced westward and northwards in the direction of the railway. The final party of about 100 marines, accompanied by an armored car, attempted to pass through the gate dividing the Settlement from Chinese territory at the end of Honan Road but were prevented by the Shanghai Volunteer

[88] Not printed.
[89] League of Nations, *Official Journal*, March 1932, p. 374.

Corps in whose sector gate is situated. This gate leads to the railway station."

The statements made therein have been verified by responsible foreigners who were on the spot.

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/4067 : Telegram

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

SHANGHAI, February 8, 1932—7 p.m.
[Received February 9—2 a.m.]

18. Continuing my daily report of February 7, 4 [*5?*] p.m., No. 11.

1. In Chapei the Japanese attempted to locate by aeroplane a fieldpiece of the Chinese at 10:30 this morning but were apparently unable to do so and the fieldpiece continued its bombardment to which the Japanese replied. The Japanese are apparently hesitating to attack Chapei in force until the complete capture of Woosung is effected. Also visibility is bad at present time. The Japanese are apparently using a battery recently brought ashore. Their guns extend over the Chapei front for about 2 miles and the number of pieces is estimated to be about 10. As a result of Japanese artillery fire the Chinese military barracks behind north station building were set afire and continued to burn throughout last night. Japanese precautions against permitting pedestrians to proceed beyond Range Road have been intensified during past 24 hours.

2. It has been reported but not confirmed that the Japanese have captured Woosung Village. So far the Japanese have been unable to take Woosung forts due to strong resistance of Chinese. Japanese have entrenched themselves on south side of Woosung Creek. Japanese hold all positions on Shanghai side of creek and have established their headquarters in the workshops of the Shanghai-Nanking Railway. It is estimated they have about 2,600 men at this point. This force is being augmented by troops arriving from the Shanghai side by boat. Harbormaster reports 33 Japanese war vessels and transports including 3 large cruisers off Woosung, 9 of which are taking part in the bombardment. He expressed fear that in the exchange of fire Chinese shells may explode the powder magazine at Maluchiao. Heavy fighting took place all morning between Chinese and Japanese troops across Woosung Creek. It is reported that 800 Japanese troops disembarked near Woosung on evening of February 7th.

3. The Thirty-first Infantry, United States Army, has been as-

signed the Central District territory bounded on south by the French Concession, on the north by Soochow Creek, on the east by Honan Road and on the west by Myburgh and Mohawk Roads. They are billeted at the race course and New World Building with headquarters at the latter. The Shanghai Volunteer Corps will continue to hold the front sector bounded by North Honan Road and the Settlement boundary and from the railway district to the Soochow Creek, also the district bounded by Honan Road on the west, Soochow Creek on the north, Whangpoo on the west [*east*] and Avenue the [*Edward*] Seventh on the south.

4. With the exception of a few shells falling into the Settlement things have remained fairly quiet. After observing Chinese New Year holidays by suspending business on February 6th the markets are gradually resuming business, a few stalls having reopened yesterday and today.

Repeated to Legation at Peiping, Nanking and Tokyo for information.

CUNNINGHAM

CHAPTER IV: FEBRUARY 9–16, 1932

Japanese Talk of Demilitarizing Shanghai and Other Port Areas in China by Powers; Further Chinese Protests Against Japanese Use of International Settlement for Military Operations; Appeal by League Council for Early Peaceful Solution at Shanghai, February 9; Consultations of Secretary Stimson Respecting Formal Reaffirmation of Nine-Power Treaty of 1922; Protests by Powers Against Military Flights Over International Settlement; Chinese Request That Dispute Be Referred by League Council to League Assembly; Appeal by 12 League Council Members to Japan Respecting Treaty Obligations, February 16

793.94/4080 : Telegram

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

NANKING, February 9, 1932—9 a.m.
[Received 8:35 p.m.[90]]

1. Reuter's of February 8th carries what purports to be a statement by an official spokesman of the Japanese Foreign Office to the effect that Japanese diplomatic representatives have been instructed to sound out opinion in the various governments on behalf of what is termed a "moral program rather than political" having information which it is said the Japanese will lay before the International Conference for the settlement of the Shanghai affair. The message describes this scheme as being a proposal for "the establishment of demilitarized zones of between 15 to 20 miles width around the principal

[90] Telegram in two sections.

trading ports in China, notably Shanghai, Hankow, Tientsin, Canton and Tsingtau, while Manchuria should also be demilitarized though a portion of best disciplined Chinese forces should be utilized for policing purposes" and official spokesman is reported as saying quite frankly that such a proposal is contrary to the Nine-Power Treaty but that 10 years' trial had proved ineffectiveness of the policy then laid down, and that the only policy that could result in benefit to Chinese as well as foreigners was a policy of intervention.

2. In my opinion the powers will do well to consider very carefully the effect that such a proposal will have in China before permitting it even to be understood that they are giving consideration to the proposal itself.

The situation of Americans in China would be dangerous in the extreme should the Chinese Army get it into their heads that we were assisting the Japanese in their attacks upon it. I feel certain that the time is ripe for another disaster similar to the Boxer uprising unless we walk carefully with these sorely exasperated people. And I therefore hope that the United States Government will meet this sinister attempt to involve us all in the debacle which the Japanese have created for themselves with a statement in favor of upholding the principles and policies of the Nine-Power Treaty.

3. It is my own opinion that a proposal such as this for the demilitarization of areas around the great ports of China is absurd unless the country that offers it intends to maintain garrisons at each such port sufficient to maintain the demilitarized character of that port against the attempts of the Chinese military to get in. The Japanese are giving the world today an example of what it is costing to demilitarize the one port of Shanghai. Let it be considered at what cost the same may be accomplished at Hankow and Tientsin.

4. I maintain that this is no fight of ours and we should do what we can to stay out of it. Nevertheless, the fact should not be ignored that if the Japanese persist in a policy of force based upon their contention that China is an unorganized state and a geographical name no Chinese Government can maintain its existence, the Japanese contention will be realized and American citizens in China and their interests must suffer in the general chaos as they did in 1900. I heard last night that the Japanese have refused to consider a neutral zone at Shanghai in discussions going on there and are now insisting on a demilitarized area at Shanghai.

JOHNSON

793.94/4069 : Telegram

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

SHANGHAI, February 9, 1932—10 a.m.
[Received February 9—5:15 a.m.]

19. Following is text of letter dated February 6th from Chairman [of] Municipal Council addressed to me as Senior Consul:

"I have the honor to represent to you the great danger attendant upon the flight over the Settlement of aeroplanes engaged in hostile operations and in observation and demonstration flights.

Such flights not only cause intense alarm to the civilian inhabitants in a time of tension like the present, but the danger to life and property from fire attracted by aeroplanes and from projectiles which have been falling in great numbers in the Settlement is fraught with the gravest danger in a community so congested and full of refugees. Moreover, the consequences of bombs falling or a bomb-laden aeroplane crashing in the Settlement would be calamitous.

Japanese aeroplanes have been constantly flying over the Settlement in the past week despite the requests and representations conveyed to the Japanese authorities. I have accordingly the honor to request you to make urgent representations to both the Japanese and Chinese authorities to refrain from any activities which may endanger the lives and property of residents in the Settlement."

This letter was circulated February 8th and with approval of consular body following letter was transmitted to Japanese Consul General evening February 8th, also a letter containing similar representations *mutatis mutandis* will be delivered to Mayor of Shanghai Municipality this morning:

"I have the honor to transmit herewith a copy of a letter dated February 6, 1932 from the Chairman of the Shanghai Municipal Council in which he represents the danger to life and property in the Settlement, and the alarm occasioned its inhabitants, through the flight of Japanese military aeroplanes, over the Settlement, whether engaged in observation and demonstration flights or in hostile operations.

My interested colleagues desire to endorse these representations of the Chairman of the Council, and to urge upon your attention the serious consequences which may result from the continued flight of these military aeroplanes over the Settlement. In doing so they also wish to express the hope that you will prevail upon your naval and military authorities to discontinue a practice which cannot but carry with it ever present possibilities of danger and disaster to Settlement life and property.

I am desirous to add that representations of this tenor are also being made to the Chinese authorities concerned in order that they may be persuaded to refrain from flying their military aeroplanes over the Settlement."

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4072 : Telegram

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

SHANGHAI, February 9, 1932—noon.
[Received February 9—6:10 a.m.]

20. Following is translation made by this office of a letter in Chinese only from Mayor Wu dated February 8th addressed to the American Consul General and delivered late last night. A translation was published in this morning's press:

"With reference to the permission of the Settlement authorities for the Japanese troops to use, or their failure to prevent them from using, the Settlement area as a base of attack upon the Chinese forces, I have the honor to state that I have lodged a strong protest with the Municipal Council of the International Settlement and declared that the Settlement authorities should bear all responsibilities consequent thereupon. This is a matter of record but, since the Settlement authorities have not asked or yet adopted any effective measure to prevent the use thereof although they are fully aware of the fact that the above-described action of the Japanese forces would serve to destroy the neutrality of the Settlement and endanger the lives and property of the Chinese people, I am constrained to request that you and the Consuls General of other powers issue strict instructions to the Municipal Council to adopt immediately effective measures to curb the activities of the Japanese forces as stated above. At the same time, I solemnly declare that my Government would accept no responsibility whatsoever for any damage that may be done to the lives and property of foreign residents when, for the purpose of self-defense, an attack [is?] made by the Chinese troops upon the Japanese forces utilizing the Settlement as a base of military operations. Besides communication with the other authorities, I have to transmit this despatch for your information. (signed) Wu Te-chen, Mayor."

A copy is being sent to commander in chief. Comments will follow after consultation with British and some other colleagues.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4073 : Telegram

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

SHANGHAI, February 9, 1932—1 p.m.
[Received February 9—7:30 a.m.]

21. Local press published February 8th following reply from Chairman [of] Municipal Council to Mayor Wu dated February 6th. Municipal Council states text is authentic:

"I have the honor to acknowledge receipt of your letters dated January 30 and February 3, 1932, in which you state that the Council has not imposed any restraint upon or in the alternative has permitted the armed forces of Japan to use the International Settlement as a base of operations against Chinese troops, and protest that this constitutes a breach of the neutrality of the Settlement for which the Council will be held responsible.

In reply I have the honor to state that whatever condition of neutrality of the International Settlement, or condition resembling it, may exist can only have been created by convention or agreement between the various powers or states having political or other interests in the Settlement. Such a condition of neutrality of the Settlement can therefore only be maintained and guaranteed by these same powers and states.

Japan is one of these powers and the Japanese Government and not the Municipal Council is solely responsible for the acts of the Japanese armed forces in the Settlement.

I regret that the disturbed state of affairs has prevented me from making an earlier reply."

Following is published translation of further protest from Mayor Wu to Chairman dated February 6th. Municipal Council states translation is substantially correct.

"With reference to the use by Japanese marines of the International Settlement area as a base of attack on Chinese troops, my previous protest, in which you were urged to take effective means to prevent recurrence of such practice I trust is receiving your attention.

According to unquestionable report, a very large body of Japanese troops, which arrived in Shanghai yesterday, were landed at a point inside the Settlement and from which they were later dispatched to various other parts preparatory to launching an attack on Chinese troops to the detriment of the Settlement's peace and order. Such tolerance on your part towards the Japanese troops is beyond our understanding. Therefore, I am constrained again to forward you this protest. In order to prevent misunderstanding on the part of our people I earnestly request that the matter be given your prompt attention with the view that effective means may be taken at once for the forceful suppression of such acts.

Further reports are to the effect that yet other large contingents of Japanese forces are expected within the next few days. It is hoped that you will, in strict accordance with your declaration of neutrality, refuse to allow the landing of any Japanese armed force in the International Settlement area in the future."

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4113

Memorandum by the Secretary of State

[WASHINGTON,] February 9, 1932.

I sent for Sir Ronald Lindsay and told him that I had done so for the purpose of keeping his Government entirely acquainted with our views and thoughts. I then reviewed the history of what had happened since I last saw him, including the two views of his Government and our Government as to what replies should be sent to the Japanese reply, if any. I told him I talked with Sir John Simon on Saturday about the new Japanese proposal to the three Ambassadors, and I read him my cable to London sent Saturday night, February 6, containing my instructions to Mr. Cunningham in regard to any negotiations arising out of the Japanese proposal. I said that I was surprised that we had not heard anything more about the Japanese proposals and asked him whether he had heard anything about them or whether he knew anything about the truth of the press report that Admiral Kelly had made some negotiations. He said he had heard nothing.

I then told him that while this situation was nebulous and uncertain and I did not wish to do anything which might imperil the dangerous situation of the International Settlement, I recognized that something might happen any day which would reveal a further extension of Japanese activities; that under these circumstances I was thinking over the possible action that might be taken by us, either alone or in conjunction with Great Britain and possibly the other powers, which would have as its purpose the summing up of the situation in Shanghai, including the unjustified bombing of Chapei, the attack on the Woosung Forts (which, so far as I knew, was also indefensible in law) and possibly giving notice, as I had done with regard to Manchuria on January 7, that we should not recognize any treaties or agreements growing out of such a situation of force. I referred to the feeling in this country at the time of the German invasion of Belgium, to which I rather likened the present attack on the Native City of Shanghai by airplanes, and I told the Ambassador that the Nine Power Treaty seemed to offer ample foothold in Article VII thereof for making such a statement as to this attack on Chinese sovereignty and independence. He was very much interested and listened intently and commented in a way to show he understood and sympathized.

I warned him that I was stating this not for immediate action, but to prepare his Government as to the way we were thinking, in order to see whether they would go along with us, and I pointed out to him that any morning we might wake up to find a crisis upon us arising out of the landing of new Japanese troops and a new encircling movement.

H[ENRY] L. S[TIMSON]

793.94/4099

Memorandum by the Secretary of State of a Conversation With the Chinese Chargé (Yen)

[WASHINGTON,] February 9, 1932.

Dr. Hawkling Yen came to bring me the annexed copy of an appeal from ten of the Chambers of Commerce and other guilds and labor associations of Shanghai. He told me that these were the ten most important of such associations in Shanghai and that they controlled Chinese opinion there; that he would not have ventured to submit it to me if it were not for the fact that its tenor coincided with the policy of his own Government.

I asked whether there had been any new negotiations between China and Japan within the last two or three days and he replied that he had not heard of any. He asked me about a rumor that the Japanese were going to demand that China get out by February 11, and I told him that there was no truth in any such rumors so far as we were concerned.

H[ENRY] L. S[TIMSON]

[Annex]

Appeal From Ten Chinese Associations in Shanghai

Utterly disregarding the League Covenant, the Kellogg Pact, and the Nine-Power Treaty, Japan has occupied Manchuria and waged undeclared war on China. Unsatisfied with flouting world's public opinion, she has now perpetrated the Shanghai outrage as the culmination of her unabated acts of aggression and in defiance of the League Resolutions.

In the afternoon of January 28th, the demands of the Japanese Consul-General in Shanghai were accepted by the Mayor of the Greater Shanghai, and the said acceptance was declared satisfactory by the said Consul-General. At eleven twenty-five of the same evening, the local Japanese Naval Commander suddenly notified the Chinese authorities to withdraw their forces from Chapei, and, thirty-five minutes later, proceeded to occupy the Chinese controlled territory. Acting on self-defence, the Chinese forces resisted the advance of the Japanese marines and other armed contingents.

Thus frustrated, the Japanese naval forces have been landing reinforcements in the International Settlement and employing the said Settlement as the base of the belligerent operations against the Chinese troops. Aerial attacks are being maintained daily and Japanese civilians have been permitted to inflict inhuman treatment on Chinese men, women, and children and indulge other forms of frightfulness.

Such aerial attacks cannot be condemned too severely. Character-

ized by Lord Robert Cecil as the most barbarous form of warfare, what they have accomplished is burning and devastation of the populous city, destruction of priceless treasures, valuable life and property, rendering homeless and destitute tens of thousands of innocent non-combatants, paralyzing all industries and commerce, and undermining the entire economic structure of China's commercial metropolis.

Therefore it is self-evident that in seeking to aggravate the situation, Japan is motivated on one hand by passion to strike terror into the Chinese hearts in Shanghai as in Manchuria and elsewhere and coerce China into submission, and on the other hand to secure for herself predominant position in North and Central China to the prejudice of other powers.

The present Shanghai outrage had its origin in the Japanese occupation of Manchuria. Any attempt to liquidate Shanghai outrage as a local, isolated, incident without attempting a settlement for the whole situation arising from the Japanese occupation of Manchuria will inevitably defeat its purpose and encourage Japan to perpetrate similar outrages in other parts of China.

It may be recalled that Japan invaded Manchuria when the League Assembly was in session, she extended such occupation to the threshold of Tsitsihar when the League Council adopted the second resolution, and she planned to capture Chinchow—the last vestige of China's administrative authority—when the League council adopted the third resolution on the subject. Added to the present Shanghai outrage these facts reveal Japan's cynical disregard of the world's public opinion and her contempt of the League.

The Chinese Government and the people have always reposed confidence in the League Covenant, the Kellogg Pact, and the Nine-Power Treaty to adjust disputes between nations. In face of Japan's unabated aggressions the Chinese people are entitled to ask if China's co-signatories in these international engagements intend to condone Japan's repudiation of her plighted word or undermine the sanctity of International Treaties.

Deeply appreciative of your Government's solicitude and efforts in Chinese people's welfare we earnestly appeal to your Government to stand firm on the five proposals designed by your Government in conjunction with three other friendly Governments for the solution of the crisis between Japan and China. Japan's continued occupation of Manchuria will always be a threat to world's peace if not also to the security of other Powers whose efforts of mediation are magnified into interference to Japan's detriment. We appeal to your Government to counsel Japan to honor her plighted word and collaborate with your Government and other co-signatories in the establishment of durable peace in the Far East or, if she cannot be persuaded to listen to reason,

courageously join other friendly Governments and other co-signatories in the application of economic sanctions or other speedy and more effective measures to preserve world's peace. Failure now boldly to do the right thing and insist on doing the just and honorable thing in defence of the sanctity of treaties will expose the League Covenant, the Kellogg Pact, and the Nine-Power Treaty to public ridicule and subject the present situation to imminent danger drifting into actuality world catastrophe.

WONG SHAO-LAI:
Chairman of Shanghai General Chamber of Commerce.

LI MING:
Chairman of Shanghai Bankers' Association.

ZING ZUNG-CHING:
Chairman of Shanghai Native Bankers' Guild.

YUNG CHUN-CHING:
Chairman of Chinese Cotton Mill Owners' Association.

C. H. LI:
Chairman of Shanghai Universities' Union.

C. S. LU:
Chairman of Shanghai Labor Union.

LING KONG-HOU:
Chairman of Associated Chambers of Commerce

K. P. CHEN:
Chairman of China Committee of International Chamber of Commerce.

YU YA-CHING:
Chairman of Ship-Owners' Association.

H. Y. MOH:
Chairman of Shanghai Exchanges Association.

793.94/4066 : Telegram

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

WASHINGTON, February 9, 1932—5 p.m.

47. Your 212, February 9, 11 a.m.[91] There is no foundation for any statement implying that the American Administration has indicated any intention to desist from protests or pressure or that it contemplates evacuating its citizens from Shanghai.

This Government's action will be determined on the basis of its views of what is called for at any time as the situation develops. You may so inform any one who inquires.

Relay to Shanghai and Nanking.

STIMSON

793.94/4087 : Telegram

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

SHANGHAI, February 9, 1932—8 p.m.
[Received February 9—5 a.m.]

25. Continuing my daily report No. 18, February 8, 7 p.m.

1. Last night 7:30 the Chinese artillery opened on the Japanese positions in Chapei and during the ensuing bombardment some 23 shells exploded in the vicinity of the Dixwell police station which has been evacuated by the police. The Chinese artillery does not seem to have damaged the Japanese positions very materially. Some 20 shells have fallen within the boundaries of the Settlement within the last 24 hours one of which slightly wounded a British woman in North [Szechuan?] Road district. Intermittent artillery, machine-gun and rifle fire continues in the Chapei sector.

2. The attack of the Japanese across Woosung Creek has met with spirited resistance. The Chinese are entrenched on the north side of the Creek for a distance of about 1 mile from the Whangpoo River. The Japanese are finding difficulty in throwing pontoons across the creek on account of the strength of the tide in the face of rifle and machine-gun fire. Fairly reliable estimates give the strength of the Japanese in the Woosung area as 2,500 for the army and 600 blue-jackets. The Japanese state that 600 additional army troops were landed on afternoon of February 8th. The Chinese forces in that vicinity are estimated between 5,000 and 6,000. Reenforcements are being brought up. The latest unconfirmed report this afternoon stated that under heavy bombardment Woosung Village was on fire and had

[91] Not printed.

been taken by the Japanese forces who were advancing on the forts. Japanese destroyers were participating in heavy bombardment of Woosung Village. Naval vessels further up river were firing on that section of the country allotted to the new civic center.

3. Over Woosung there are reported to be 33 Japanese war craft. Inside the Whangpoo Harbor limits there are 11 other Japanese war vessels. The total number of war craft in and around Shanghai is 67. The number of foreign troops in Shanghai excluding approximately 5,000 Japanese is some 10,500. The cruiser *Idzumo*, flag ship of Vice Admiral Nomura arrived here at 5 p.m. yesterday, berthing at the N. Y. K. Hongkew wharf. Nomura takes over command of Japanese forces in Shanghai area. Rear Admiral Shimottowa [*Shiozawa?*] remains as Chief of Staff.

4. Otherwise things are fairly quiet. Two hundred and eighty wounded Chinese and two hundred and thirty-eight wounded Chinese civilians have been admitted to hospitals in the Settlement and French Concession. A few communist circulars have been distributed, one advocating the uniting of Chinese policemen, soldiers and the masses, the seizure of arms from Imperialists and the Kuomintang Government and the convening of a general meeting of soldiers, laborers, and peasants for the purpose of organizing their own government. This so far is not serious.

5. About 20 percent of the stalls in the various markets opened for business. There is sufficient stock of meat, and vegetables are plentiful in all markets. Some native banks are refusing foreign drafts. Thought to be saving funds. No reason has been given.

Repeated to the Legation, Nanking and Tokyo, for information.

CUNNINGHAM

793.94/4088 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 9, 1932—11 p.m.
[Received February 9—7:32 p.m.[92]]

79. At the request of Yen the Council resumed debate in public session following private meeting this afternoon.

[Here follows report of discussion. For minutes of the meeting, see League of Nations, *Official Journal*, March 1932, pages 353–360.]

7. The President in a statement which was apparently intended to appease the Japanese and to demonstrate the impartiality of the Council then expressed the opinion that a study of the statement of the Japanese delegate and the first report from the Shanghai Committee

[92] Telegram in two sections.

shows that the "situation is very much more complex and difficult than those who make up public opinion perhaps realize". The advantage of League procedure, slow as it might appear, lies in its impartiality. However, if the Council's action is to be usefully pursued, it is essential that violence should cease. He urged upon the Japanese representative the necessity of setting up the proposed neutral zone to be occupied by neutral forces at Shanghai as rapidly as possible in order to ensure the cessation of hostilities and that restoration of good order which is in the interests of the Japanese as well as other countries concerned at Shanghai. He agreed with Yen that the establishment of a neutral zone would not be a final settlement but recalling the proverb that each day's task must be sufficient for itself he adjourned the meeting.

GILBERT

793.94/4086 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 10, 1932—3 p.m.
[Received February 10—9:20 a.m.]

40. Your 26, February 9, 1 p.m.[93] Three Japanese cruisers and three Japanese destroyers are now at Nanking.

PECK

793.94/4083 : Telegram

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

SHANGHAI, February 10, 1932—4 p.m.
[Received February 10—7:16 a.m.]

27. Your February 9, 5 p.m., telegram No. 7.[93] British Consul General is delaying reply to Mayor's note of February 8th until arrival of British Minister in Shanghai which will probably be within next 2 or 3 days. I regard it as highly desirable that British and American replies at least should be similar if possible. Other colleagues have asked for a copy of my reply which I will furnish as soon as Department authorizes such reply. I give below a tentative draft for the Department's consideration which is similar to British draft which I understand British Consul General will submit for consideration of British Minister:

[93] Not printed.

"I have the honor to acknowledge the receipt of your communication dated February 8 with regard to the reported failure of the Shanghai Municipal Council to restrain armed Japanese forces from using the International Settlement as a base of operation. You declare that in these circumstances the Chinese Government will not be responsible for damages to foreign life and property caused by operations of Chinese troops against Japanese forces.

As you are no doubt aware the American Government is using every endeavor to preserve a correct and neutral attitude in most difficult circumstances in the dispute which has unfortunately arisen between China and Japan but it must continue to hold both together responsible for any loss or damage which may be inflicted by them on American lives and property as a result of such dispute."

Does the Department authorize above or reply of similar wording?

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4083 : Telegram

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

WASHINGTON, February 10, 1932—11 a.m.

10. Your 27, February 10, 4 p.m. The Department approves a reply similar to the tentative draft which you have submitted. For your consideration the Department suggests that in Paragraph 2, after the words "between China and Japan", the note should read "but it must continue to hold the Governments and authorities of each of the disputants responsible for any loss or damage which may be inflicted by any armed forces or any agencies thereof to American lives and property as a result of such dispute".

Repeat to Nanking and inform Tokyo.

STIMSON

793.94/4085 : Telegram

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

TOKYO, February 10, 1932—5 p.m.

[Received February 10—6:20 a.m.]

58. The Military Attaché has been informed by the General Staff office that it has been decided that the 9th Division which has been under preparation for departure is to leave for Shanghai. He was further informed that in view of movements of the Chinese fugitive soldiers in the vicinity of Harbin it has been decided that the 2d Divi-

sion remain there for the time being until peace and order are restored, the other troops to return to their original stations as soon as possible.

FORBES

793.94/4103 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 10, 1932—6 p.m.
[Received February 10—2:30 p.m.]

59. Apparently to forestall questions for necessity of further representations to Tokyo, and yet at the same time to have a clear record before the House of Commons, Mr. Baldwin, in reply to a question, stated yesterday:

"His Majesty's Government have on three occasions made it clear to the Japanese Government that they could not approve of the use of the International Settlement except for defensive purposes."

In referring to the above statement today Vansittart said the British Consul General at Shanghai favored the creation of a neutral zone since it offered the greatest safety to the International Settlement and the Foreign Office desired for the moment anyway to leave attendant matters in the hands of the men on the spot, particularly since the arrival of Admiral Nomura.

ATHERTON

793.94/4100 : Telegram

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

SHANGHAI, February 10, 1932—7 p.m.
[Received February 10—2 p.m.]

29. Important items:

First. Japanese Consul General has asked that he be given list of American property and investments outside Settlement and north and east of Hongkew contiguous to Japanese sector. I am to furnish the list tomorrow.

Second. It is learned on reliable authority that Japanese naval authorities have applied to pilot association for 16 pilots to pilot transports into Shanghai on the 12th.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

644591—48——24

793.94/4108 : Telegram

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

SHANGHAI, February 10, 1932—8 p.m.
[Received 8:28 p.m.]

30. Continuing my daily report No. 25 of February 9, 8 p.m.

1. So far the Woosung forts are still in the hands of the Chinese. The report current yesterday to the effect that Woosung Village had practically fallen has not been confirmed. During the day only impetuous exchange of firing has taken place according to eyewitnesses at Woosung. The Japanese apparently are bringing up fieldpieces and strengthening their defenses at Woosung in the expectation of making a new attack. They have apparently met with unexpected resistance. Field telephones are being strung between Shanghai and Woosung by the Japanese. It is estimated that the Japanese have approximately 6,000 soldiers and marines landed for the attack on Woosung. The Japanese are building antiaircraft dugouts at the new airplane field at the end of Pingliang Road, south of Shanghai Baptist College. These are being prepared for the protection of their airfield. Yesterday a Japanese plane crashed and blew up at this field. Woosung lighthouse has been badly damaged and appears on the point of collapsing. Two or three lights on buoys have also been extinguished by firing. However no merchant ships are entering or leaving the harbor during the hours of darkness. One American ship, the *Golden River*, has been delayed in port for 8 days resulting in loss of freight, demurrage, et cetera. The present situation has resulted in freight congestion, lack of wharfage and poor postal facilities.

2. The situation in Chapei sector has remained fairly quiet, only occasional firing taking place. On February 9th the Japanese marines at North Szechuan and Haining Roads interfered with a party of municipal police pushing the Chinese police away with their rifle butts and generally acting in a hostile manner. The Japanese reservists were especially hostile shaking iron bars in the faces of the police. Antiaircraft shells continue to fall in the Settlement.

3. Yesterday it was reported that a Japanese ship captain while proceeding up river in the vicinity of the arsenal was shot from shore by some unknown parties. Today newspapermen were interviewing Admiral Nomura when he stated that this captain had been taken ashore and shot by the Chinese authorities at the arsenal. He threatened to take drastic action. He also stated to his interviewers that the Chinese were aggravating the Japanese by their continual attacks and that it would eventually result in drastic action on the part of the Japanese.

4. Late yesterday afternoon a motorcar fitted with steel protection plates belonging to the 19th Route Army was attacked on Rue du Marche by a crowd of Chinese who evidently mistook the vehicle for a Japanese armored car. The car had recently conveyed the Mayor and two Chinese military officers and was returning to the Mayor's residence when the incident occurred.

5. According to observers, defense works have been erected on the roof of the Toyoda new mill, at Chungshan and Jessfield Road corner, by Japanese forces. These consist of three light field guns and three machine guns in separate emplacements. Machine-gun fire from this sector was heard last night.

6. A Chinese Citizens' Federation met on February 9th for the purpose of discussing the question of resuming business on the 10th. After discussion it was decided to issue a declaration stating that the Banks had come to the decision to continue definitely suspension of business as long as the Japanese troops remain in Shanghai. About 15 percent of the shops, mostly food shops, resumed business this morning.

Repeated to the Legation and Nanking and Tokyo for information.

CUNNINGHAM

793.94/4101 : Telegram

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

SHANGHAI, February 10, 1932—9 p.m.
[Received February 10—2 p.m.]

31. Referring to Department's February 9, 6 p.m.[95]

[1.] Department's February 6, 8 p.m.[96] received and communicated orally to commander in chief. The British Consul General received similar instructions referring to Department's instruction to me.

2. Have not been approached by Japanese and do not see any indication of their doing so. Brenan concurs in my belief that Japanese have no peace parley plans. This conclusion is largely based upon the emphatic dismissal of Admiral Kelly's proposal on February 8th by the Japanese Minister when the latter indicated that no peace talks were possible until the Chinese retired 20 miles. My instructions as I understand them intend that I be receptive but I am not authorized to approach Japanese.

3. No progress for cessation of hostilities nor for establishing zone to be controlled by neutrals.

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[95] Not printed; it requested information.

[96] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 184; cf. telegram No. 56, February 6, 8 p.m., to the Chargé in Great Britain, *ante*, p. 242.

4. It is impossible to answer this question authoritatively. First, Hooker informed me that there were 4,500 Japanese armed forces in Shanghai on February 1st and a large part of them must have landed in the Settlement before that date. From authoritative quarters I learn that since February 6th Japanese have landed only about 100 gendarmes in Settlement to replace marines.

Not repeated [to Legation?]. CUNNINGHAM

793.94/4100 : Telegram

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

WASHINGTON, February 10, 1932—6 p.m.

12. Your 29, February 10, 7 p.m., first paragraph. Any list of American property and investments that you may give Japanese Consul General, in response to his request, should be accompanied by statement that list cannot be guaranteed as to completeness and that any property and investments not included in the list are not necessarily of a category different from the property and investments listed. You should also be careful to safeguard the confidential character of any information that you may have covering the value of American investments.

STIMSON

793.94/4101 : Telegram

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

WASHINGTON, February 10, 1932—8 p.m.

13. Your 31, February 10, 9 p.m. We concur in your belief that the Japanese have no peace parley plans. We have no longer any reason to think that anything is likely to be accomplished by such move, meaning thereby reliance on the suggestion which they made as communicated by us to you in Department's February 6, 8 p.m.[97] We believe that the Japanese suggestion made last Saturday has either been cancelled without notice or was merely an attempt on their part to gain time. It is our opinion that the position taken, as reported, by the Japanese Admiral in conversation with the British Admiral that the Chinese should retire 20 miles is wholly inadmissible so far as any consideration, sanction or participation on our part might be involved.

[97] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 184; cf. telegram No. 56, February 6, 8 p.m., to the Chargé in Great Britain, *ante*, p. 242.

We estimate, on the basis of such information as we have, that the Japanese may be planning a wide turning movement against the Chinese forces in and near Chapei. We visualize the possibility that the Chinese forces may be driven by the Japanese against the Settlement. We feel that American effort on the spot should be confined to the endeavor to protect the International Settlement by all appropriate means.

We are so informing Tokyo[98] and London.[99]

Inform your British colleague.

STIMSON

793.94/4129b : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, February 10, 1932—8 p.m.

59. Department's 56 February 6, 8 p.m. The following telegram has been received from the American Consul General at Shanghai under date February 10, 9 p. m.

[Here follows quotation of first three paragraphs of telegram No. 31, February 10, 1932, 9 p.m., printed on page 271.]

Am informing Shanghai as follows:

[Here follows quotation of main paragraph of telegram No. 13, February 10, 8 p.m., printed *supra.*]

Please inform the Foreign Office of the above. State to them that I perceive no good ground for attempting at this time further communication with the Japanese on this subject and no reason for any further delay by any Government or organization in proceeding with any proposals or plan of action which it may desire to propose or to act upon. This does not affect the suggestion which I made to the British Ambassador yesterday for consideration in relation to possible future action. Request that they inform Sir John Simon fully immediately.

STIMSON

793.94/4109 : Telegram

The Acting Chairman of the American Delegation to the General Disarmament Conference (Gibson) to the Secretary of State

GENEVA, February 10, 1932—9 p.m.
[Received February 10—8:09 p.m.]

20. I have discussed with Senator Swanson, Davis and Wilson the situation which now exists in Geneva regarding the Far Eastern difficulties, a situation which is giving us concern.

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[98] Telegram No. 50, February 10, 8 p.m., to the Ambassador in Japan, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 191.

[99] *Infra.*

You will note that Simon has been presenting at the private meetings of the Twelve[1] both the views of the British Government and to some extent endeavoring to reflect the views of the American Government. And now in private conversations he is also endeavoring to interpret your views. I hasten to add that so far as we are informed his presentation has been both friendly and accurate and it is only natural that in default of more direct information the members of the Council should turn to Simon in view of the joint effort of the two powers. This they will be more prone to do as today's papers contain a Washington despatch that you and he were in direct telephone conversation yesterday on the Far Eastern situation.

There is indication that some of the powers are taking the position that action by Great Britain and ourselves has relieved the Council of responsibility and that action on its part is now unnecessary and would be useless. They point to the fact that whereas in September Wilson, and later Gilbert, kept Drummond in constant touch with your views this has since been changed and that since the resumption of work in Geneva in January little or no indication of American views has been received from American sources. In other words that direct contact and cooperation with America has ceased. It is a short step from this attitude to a complete shirking of this thorny question on the ground that the United States had undertaken the settlement.

We assume that you and Great Britain would in any event desire the support of the Council for whatever action is taken. To this end we think it important that the procedure of September be resumed of keeping the Council members informed of your action and views. We do not see how this could lessen the cooperation which you have established with Great Britain and it would have the additional advantage of reducing to a minimum possibilities of misunderstanding and efforts on the part of individual members to throw upon us the onus of their failure.

In the light of this constantly changing situation as we see it here we strongly recommend that direct contact through Wilson with the Council members or with Drummond be resumed and maintained in such form as you may deem feasible.

The matter is of considerable importance as the second report of the Shanghai Commission[2] is expected tonight and presumably the Council will have to act on this report within the next few days.

GIBSON

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[1] Members of the League of Nations Council, exclusive of China and Japan.

[2] Dated February 12, 1932, League of Nations, *Official Journal*, March 1932, p. 379.

793.94/4131 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 11, 1932—10 a.m.
[Received 4:03 p.m.]

45. 1. On February 9, 4 p. m., the Japanese Consul General, who is still living on a commercial steamer in the harbor, called and told me that important persons in the Chinese Government had made informal approaches to him to discover whether the possibility existed that an agreement might be come to which would stop the fighting at Shanghai; he thought that the Chinese Foreign Office was probably ignorant of these tentative investigations. He refused to state who his correspondents had been but he expressed the opinion that the 19th Route Army which is now fighting the Japanese at Shanghai is not under effective control by the Nanking Government. The Japanese Consul referred several times to the difficulties caused by factional differences among the Chinese and was clearly under the impression that an influential section of the Chinese Government would be glad to come to terms with the Japanese at Shanghai if it were not prevented by Cantonese troops at Shanghai who insist on fighting to the bitter end.

2. Later on the same day I received a call from a Chinese who is not an officer of the Government but is in close touch with politics and has hitherto been generally reliable. This informant stated that the Chinese Government would gladly welcome mediation by foreign powers at Shanghai and would agree to any proposal practically feasible. He said that the Government is unable itself to initiate negotiations with the Japanese (firstly) because it would then have no course but to yield on all points and (secondly) because the Chinese public would universally condemn so obviously futile a procedure. In regard to the rumored indifference of the Cantonese troops at Shanghai to the authority of the Nanking Government, the informant said that it is not quite probable that under normal conditions Sun Fo and Eugene Chen might be able to utilize these troops against the Chiang Kai-shek following in the Government but he insisted that Government is secretly supporting the troops in their struggle with the Japanese with reenforcements and munitions. He stated that it was necessary to conceal this support from the Japanese because the latter might seize on it as a pretext for taking military measures at Nanking.

3. The Japanese Consul told me recently that he had protested to the Chinese Government against the passage of one contingent of troops from the north to the [south?] bank of Yangtze and had been satisfied by the explanation that it was merely a replacement of local guards. From these and other evidences it seems clear that the Chi-

nese Government both because of its own conviction and of internal political necessity is publicly maintaining its announced policy of resistance to Japanese aggression at Shanghai while it is informally and secretly giving the Japanese the impression that it is not assisting the Chinese troops at Shanghai and is willing to enter into direct negotiations. Known political alignments assist the Chinese Government in creating this impression. Presence of many Japanese naval vessels at Nanking and elsewhere on the Yangtze show that the Japanese are ready to prevent assistance from reaching Shanghai and the Chinese Government apparently hopes by creating impression above described to forestall military action in Yangtze region. The American Minister concurs in these views.

Repeated to Tokyo and Peiping for information.

PECK

793.94/4111 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 11, 1932—noon.
[Received February 11—8:20 a.m.]

17. Paul-Boncour spoke to me this morning begging me to obtain from you most urgently news of the negotiations in the Far East and any advice you cared to give. Speaking as President of the Council, he stated that the situation was daily becoming more difficult and painful and that the time was near when the Council must speak vigorously to the Japanese. He added that he spoke to me with interest for the United States, with admiration for our interest and the deep desire to do nothing to trouble us in our negotiations but the time was now coming when the Council must act.

WILSON

793.94/4114 : Telegram

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

SHANGHAI, February 11, 1932—4 p.m.
[Received February 11—8:40 a.m.]

33. Japanese aeroplane number 606–D at 11 o'clock this morning dropped a bomb near Markham Road 100 yards within International Settlement and in the American sector, destroying part of Wing On Mill and killing at least 5 persons. A number of American marines were near at hand but none was injured. Preceding the bombing a

Japanese using a machine gun fired from over the Settlement at Chinese forces in a manner which would provoke the Chinese to fire into the Settlement. This seems to be condemned as much as the dropping of the bomb.

2. At 2 o'clock Consul General Murai called to express his regrets and stated that the bombing was an accident, that it was intended for Chinese forces outside the Settlement and that the admiral had given orders that greater care should be given and no bombing planes should pass over the Settlement. He qualified this, however, by stating that it was exceedingly difficult to prevent these accidents inasmuch as the Chinese military forces were hugging the Settlement and it would be impossible to dislodge them by a frontal attack. The only way would be by bombing and it was feared that corners of the Settlement might be crossed by mistake. I told Consul General Murai that I was glad he appreciated the responsibility of the position and that his expression of regret would be transmitted to Admiral Taylor, Colonel Hooker and the Department.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4123 : Telegram

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

SHANGHAI, February 11, 1932—5 p.m.
[Received February 11—10:25 a.m.]

34. Following is translation of letter dated February 10th from Mayor [of] Shanghai Municipality to Senior Consul in reply to representations by consular body regarding military aeroplanes over Settlement. These representations were quoted in three final paragraphs of my telegram 19 of February 9, 10 p. m. [*a.m.?*]; introductory paragraph of Mayor's reply is omitted:

"In reply I would observe that aerial sovereignty within the Settlement is China's innate right which has never been abandoned. It follows, therefore, that the flight of Chinese airplanes over the Settlement cannot be subjected to interference of any nature. In view of the fact, however, that I am also deeply concerned about the safety of the lives and property of the residents of this city as a whole, I shall, out of respect for the views expressed in your letter under acknowledgment, convey the same to the Chinese military authorities for their consideration and action. Furthermore, I must emphatically state that, in the event of the Settlement authorities permitting Japanese airplanes to continue flight over the Settlement or to pass through the Settlement or in event of their failure to prevent them from doing so; my Government could not assume responsibility for anything that may

occur as a result of the shooting aimed threat [*sic*] by the Chinese forces in self-defense. Wu Te Chen, Mayor."

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4131½

Memorandum of Trans-Atlantic Telephone Conversation[3]

SECRETARY: Hello, is that you, Sir John?

SIR JOHN: Hello, Mr. Stimson.

SECRETARY: I have a good deal to say to you if I may.

SIR JOHN: Yes, I will just repeat it to be sure I get it right.

SECRETARY: I will go back to our last conversation last Saturday[4] when there was being proposed or suggested that the Japanese had a proposal for us. I heard of that from Tokyo as I told you. Apparently that has not eventualized.

SIR JOHN: No, I made inquiries and we didn't receive at London anything such as you had spoken of.

SECRETARY: The occurrences since have indicated that no such suggestion is being made or likely to be made. In fact, the Japanese have made a suggestion which would be contrary to an ordinary truce. They have made a suggestion that the Chinese should retire twenty miles while they stood still.

SIR JOHN: I will tell you about my information. I heard the same suggestion and I told the Japanese delegate here, who is the Japanese Ambassador in London, an hour ago that it appeared to me that that was not a reasonable proposal at all.

SECRETARY: We have so telegraphed our representatives in China —in Shanghai.

SIR JOHN: The American Consul General?

SECRETARY: Yes, telling him that that was so far from a fair proposal that we could not afford to participate in it or in urging it upon the Chinese.

SIR JOHN: Yes, I think so too.

The Japanese Ambassador an hour ago, when I said that I thought it was rather unreasonable, suggested to me that possibly the representatives of the powers in Shanghai would themselves make a suggestion as to what would be reasonable.

SECRETARY: For my part, I should be unwilling to do so. I do not

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[3] Between Mr. Stimson in Washington and Sir John Simon in Geneva, February 11, 1932, 10:45 a.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

[4] February 6.

think that the actual occurrences in Shanghai indicate that any such proposal is being asked for by the Japanese Government or is desired by it in good faith.

SIR JOHN: You don't think they are in good faith?

SECRETARY: They are making all arrangements for a large battle.

SIR JOHN: Your idea is like mine, that they had a quite unexpected set back.

SECRETARY: Yes, and they are landing a large expeditionary force and are making every evidence of an intention to go through with it. I have come to the conclusion, reluctantly, that there is no further opportunity——

SIR JOHN: Up to the present, they have landed four thousand military forces—soldiers—at Woosung. They are not making much progress.

SECRETARY: No, but the evidence is pretty clear that a very large force is on its way from Japan.

SIR JOHN: Having put their marines into this difficulty and being held up by the Chinese, I have no doubt that the Japanese feel that they can't leave things as they are.

SECRETARY: I think that is the case and they have made up their minds to go on and punish the Chinese until they recover their prestige.

SIR JOHN: It would be very dangerous for a settlement if the Chinese came rushing after them.

SECRETARY: Yes, but there are other ways of stopping the Chinese, provided the Japanese did not provoke them, but let us not go into that.

SIR JOHN: Yes, I see what you mean.

SECRETARY: That situation, in my opinion, no longer exists. I think there is no further opportunity for conciliation. I think that a battle is going on. That, I think, is probably the situation in the very immediate future.

SIR JOHN: Well, of course, your inference is right about the truce and I certainly believe with you that Japan would never leave things as they are. Probably it would not be safe for her to do so for her marines are not in a very good situation, don't you think so?

SECRETARY: Yes, I do. I think she has, however, shown herself in the wrong in doing so.

SIR JOHN: She is in the wrong in putting herself in that position. Her first step was wrong and, the taking of a second step on the other hand, I am advised from Shanghai that certainly if the Chinese would push these Japanese back there might be a very grave situation in the Settlement.

SECRETARY: I think that is probably under the influence of local conditions. There is a very difficult situation there, I think.

SIR JOHN: Have you any information from your man there?

SECRETARY: No, I have not heard any evidences of cold feet from our people. They recognize that there is a difficult situation, a very difficult one full of danger.

SIR JOHN: Now, how many American marines are there at Shanghai?

SECRETARY: About three thousand.

SIR JOHN: Yes, I see. We have got a very considerable force there and there is ten thousand——

SECRETARY: What's that?

SIR JOHN: I think our international force is about ten thousand; the French have at least five thousand and the Italians have a few, but I should say it was a little over ten thousand.

SECRETARY: I have heard of the advice that you received from your local authorities and I have been rather inclined to think it was a little bit influenced either by pro-Japanese argument or by a little timidity of the situation which was confronting them.

SIR JOHN: You may be right. We have our Ambassador going down to Shanghai as I want to have the best man on the spot.

SECRETARY: Mine arrives there from Nanking. He is arriving at the same time that Lampson is.

SIR JOHN: That is good. I am sending a message to our Ambassador to give me an explanation of the situation at Shanghai as soon as he gets there and I will communicate with you in order to give you his views so that we can both deal with them.

SECRETARY: Well, now, I am very anxious to communicate with you and see how our minds are working now. We think there is no use of any further steps for immediate peace making, so far as we can see, between the two forces. Therefore, if anybody else wants to go ahead on that line we don't want to interfere with them.

SIR JOHN: But you don't think there is much opportunity now.

SECRETARY: Well, what I was going on to say is that I think it is time to think very carefully about the long distant future.

SIR JOHN: I quite agree with you; I have been thinking about it all the time.

SECRETARY: That is exactly what I want to see whether your opinion is along the same line as mine. Our view now is that there is being made a very serious attack upon the treaty policy in respect to China, which we all agreed upon ten years ago in the Nine-Power Treaty. We think that not only are the present acts which are taking place in Shanghai a direct attack on Chinese sovereignty and that they create a situation of very great danger in China by that attack, but there have been——

SIR JOHN: Are you thinking of Article 7?

SECRETARY: Yes, but let me go on. In addition to these acts of force, there have come from the Japanese Foreign Office direct suggestions that the treaty is obsolete and should be amended or abolished, and that China should be begun to be dismembered again by creating demilitarized zones, as they call it, around all of the commercial cities of China.

SIR JOHN: Let me see if I got that right. You say there has come to your ears——

SECRETARY: It has come directly from the Foreign Office in Tokyo by a statement made to the press from that office.

SIR JOHN: You regard that as indicating that Japan desires to change the régime.

SECRETARY: He said so to me. Now one further thing. The refusal of our point five in our good offices to allow any neutral nation to participate in any matter concerning Manchuria, even if that nation was a member of the Five-Power Treaty, is in itself a violation of the Nine-Power Treaty which gives to all of the nine powers a right to communicate and to discuss matters of that sort which relate to China. I mean, in other words, all of these points do not stand alone, but they indicate a consecutive and deliberate purpose which is in direct contradiction with the purpose of the Nine-Power Treaty.

SIR JOHN: Yes.

SECRETARY: Now, I am considering carefully and I want you to consider carefully, because as we have said right along we want to act step by step with you, whether the time hasn't come for your nation and mine, and such others as may wish to join us, to make a record of these facts and make a frank statement in the language of Article 7 of that Treaty, and our idea would be to wind up by a statement somewhat such as I made in regard to Manchuria on January 7th, that, for ourselves, we do not propose to recognize or rather to change our view as to the treaty or to recognize any steps which are an infringement on the policy which we then agreed to.

SIR JOHN: I see. I have heard from London that Sir Ronald Lindsay told our people that you had this in mind but, of course, I did not get it so fully as I have it in mind now with reference to the present proceedings at Shanghai.

SECRETARY: I can perhaps make it clearer to you by telling you what I am hearing from our Minister in Nanking, on the way to Shanghai now. Our Minister has telegraphed me very fully about the effect which this whole situation, including the purpose for these demilitarized zones,—this dismemberment proposition which I call it—is having in China.

SIR JOHN: That is your Minister, is it?

SECRETARY: That is our Minister in China. I will read you a couple of sentences from what he has cabled me. Will you listen? He said that the situation of Americans in China would be made dangerous in the extreme should the Chinese army get it into their heads that we were assisting the Japanese in their attacks upon it.

SIR JOHN: Would you mind repeating that?

SECRETARY: Well, I shall give you the sense of it. He telegraphed me that the situation of Americans in China is being made very dangerous by the fear that America may be joining with Japan in these attacks and he says he thinks the time is getting ripe for another disaster like the Boxer Rebellion, unless we go very carefully in regard to the situation, and he points out these suggestions coming from Japan in regard to the Nine-Power Treaty as conditions which are making trouble in China. Do you see?

SIR JOHN: I haven't quite got that last?

SECRETARY: Our Minister suggests that all of these successive steps which Japan has taken are producing a very dubious frame of mind on the part of the Chinese people and that if we should not protest against it and should do anything which led the Chinese to think we were in sympathy with Japan, it would be likely to make a rebellion in China against all foreigners, like the Boxer Rebellion. Therefore, there is that direct advice as to the propriety of taking such steps as I have brought to your consideration.

SIR JOHN: I see that.

SECRETARY: Now, when are you going to London?

SIR JOHN: I am not going to London until Saturday.[5] Lampson will be in Shanghai tomorrow.

As you agree, I will communicate that in principle to London, Mr. Stimson, subject to thinking it over. You will find, I believe, that the British Government will be glad to stand side by side with you. Our interests are essentially the same and——

SECRETARY: Yes, our interests are essentially the same and, in any case, we desire to remain firm on the Nine-Power Treaty. That is the situation. That is my first impression, you understand?

SIR JOHN: I understand and I am not asking for any more than your first impression because that is the point I am interested in. The reason I am really anxious is because the first step taken by Japan in Shanghai ought to be called a wrong step and I really can't see, now that she has taken it, how she can avoid taking the second step and, at present, I don't believe she is in a position to take any other course than to bring in troops in order to correct the very bad mistake she has made.

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[5] February 13.

SECRETARY: Yes. Well, now, just let me make a suggestion to think over in consideration with that. Before you decide that that is really so, remember that China accepted our offer of good offices entirely and we have no evidence to make us believe that, if Japan had accepted it also, we could not have produced a cessation of hostilities at that time and place which would have extricated Japanese marines.

SIR JOHN: I am particularly anxious, for many reasons, that our two Governments should go hand in hand about this. I am very anxious that it be so. I will, therefore, communicate as I told you. Shall I ring you up or will you ring me up?

SECRETARY: Suppose you ring me up. We are here altogether and we will be going on with our views. As soon as you make up your mind in regard to it, if you look upon it favorably, we can go into the details and telegraph the details on paper.

SIR JOHN: You see here, at Geneva, the Council of the League is very much concerned as to what to do. There was a meeting of the Council yesterday, when the Chinese and Japanese first made statements. There is no point in going on adjourning and adjourning, and I have told the Council that effort was being made by the British Government to take action to stop this and that we have tried, as far as we could, in the Shanghai business to act with America. It is, of course, a very grave situation to the Council there because they have not got America in their discussions.

SECRETARY: That is the reason, Sir John, I told you in the very beginning that I had reached the conclusion that every step that we have taken towards conciliation is ended now and I cannot see any particular use in taking any new one, but I did not want to be in any way intentionally or unintentionally a stumbling block in the path of anybody else, like the League, who might want to do something else.

SIR JOHN: I understand perfectly and I shall let you know what takes place. It is an extremely anxious situation from the foreign point of view to British interests because the main British interest in the East is peace.

SECRETARY: The step which I am now thinking of, and which I have brought to your consideration, is a step which in no way would interfere with any proceeding by the Council of the League.

SIR JOHN: They, on the contrary, would be extremely grateful I am sure.

SECRETARY: It would not interfere in any way at all so far as I can see.

SIR JOHN: I shall communicate with my own people in London and will ring you up. Shall I ring you up at this time tomorrow?

SECRETARY: Yes, this is a good time.

SIR JOHN: It is five o'clock here but I suppose it is about eleven or twelve your time.[6]

SECRETARY: Either hour is a perfectly good time.

SIR JOHN: Supposing I say I will call you up at five o'clock tomorrow?

SECRETARY: All right.

793.94/4130 : Telegram

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

SHANGHAI, February 11, 1932—7 p.m.
[Received February 11—2:20 p.m.]

36. Continuing my daily report 30, February 10, 4 [*8?*] p. m.

1. Except for occasional rifle, machine-gun and artillery fire the Chapei sector has been relatively quiet. Fires, one of which was observed to have been started by Japanese incendiary shells, have been started in Chapei sector.

2. Japanese state that Chinese troops at Nantao fired upon the Japanese destroyer anchored at Pootung. Admiral Nomura is reported to have stated that he had moved his destroyers to obviate any collision. Chinese Mayor's office reported that the Chinese troops had received strict instructions not to create disturbance at Nantao. This alleged incident may be due to the fact that a rumor was current yesterday to the effect that the Japanese would attack Nantao.

3. Japanese ship captain reported to have been shot in paragraph No. 3 of my 30, February 10th, died last night. Japanese authorities state that they are filing vigorous protest.

4. The situation at Woosung has remained comparatively quiet. Sixteen Japanese transports are reported to have arrived off Woosung. The latest information is to the effect that they are landing troops this afternoon preparatory to an attack.

5. The Japanese defense force on the roofs of the Toyoda new mill, mentioned in paragraph 5 of my yesterday's telegram, have been withdrawn. They were replaced by 20 armed sailors.

6. Chinese native banks, although they have resumed business, are proceeding cautiously. Checks and [cash?] are still being presented for deposit in native banks only. This precaution is one of several instituted in order to prevent the flight of money to foreign banks.

7. There is congestion of goods on wharves and in warehouses principally because of the arrival of relief grain shipments and heavy

[6] See memorandum of telephone conversation, February 12, 11 a.m., p. 294.

cotton arrivals. Shippers are finding it difficult to send relief shipments up river. Also many native importers are failing to take delivery of cotton.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4132 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 11, 1932—7 p. m.
[Received February 11—5:50 p. m.[7]]

18. Drummond requested me to call this afternoon and stated that his obligations under article 15 provided for the submission by him to the Council of a report using all available material. He asked whether it would be embarrassing to you if he wrote me a letter stating that in the preparation of this report he would be grateful for any material which the American Government could supply which might throw light on the situation. Of course, he added, it would be better still from his point of view if the American Government were willing to furnish a memorandum for the information of the Council as to the events both military and diplomatic which have taken place.

I would appreciate being informed of the answer you would desire me to make to Drummond in this connection.

Drummond then discussed informally and confidentially the next procedure. He was turning over in his mind the possibility of summoning the Assembly which, since the Disarmament Conference is now sitting, would be simple to do mechanically. One could not be sure that this would not turn into a public condemnation of Japan but he thought that this danger might be avoided by careful preparation.

He was also considering whether it would be advisable for the Council to make an appeal to Japan pointing out that Japan's force was incontestably greater than that of China and appealing to it in the interests of peace, justice and chivalry not to utilize this force. There seemed to be some thought in Drummond's mind that this action might have a favorable effect on the Japanese elections on February 20th.

He then discussed, but not as if he were contemplating action thereon, the possibility of economic sanctions. He pointed out that there was a legal difficulty in that under the Covenant economic sanctions are provided for only in case of an outbreak of war and not as one of the measures in prevention thereof. Even if one could avoid

[7] Telegram in two sections.

this difficulty, there remained the grave question of whether Japan would not reply to the severance of economic relations either by a general declaration of war against all powers involved or by the establishment of a blockade of Chinese ports which in turn led to a grave risk of war.

There are signs of a growing desire to have the Council make a categorical indorsement of our note of January 7. If you feel that it would be advantageous to have that or other action taken it would seem probable that our influence, carefully exerted at this time, would contribute to aid the Council members to come out of their present bewilderment with definite action.

WILSON

793.94/4129 : Telegram

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

TOKYO, February 11, 1932—10 p.m.
[Received February 11—11:45 a.m.]

61. Referring to your telegram 50, February 10, 9 [8] p. m.[8] while it is entirely possible the Japanese proposition of February 6 was made to gain time, my impression is, from all the evidence I can get, very strong that they now honestly want to end hostilities in the vicinity of Shanghai, although my British colleague is convinced they intend to establish the 20-mile zone by force if necessary, and expect to have to use it. Their policy here is not to show any sign of lessening activity until the Chinese come to terms, in the belief that any withdrawal or indication of yielding to outside influence merely stiffens Chinese resistance and renders negotiations impossible.

There is no doubt the Japanese are moving troops rapidly towards Shanghai. They think it extremely dangerous to stop this movement as the Chinese armies are out of control and might move in and overwhelm the Japanese population outside the Settlement,[9] and possibly endanger the Settlement itself; and, until a basis of terms is reached, an adequate force of Japanese troops protects the whole situation. I think there is some force in this contention and this is opinion also of the British Ambassador.

At the Emperor's luncheon today the Minister of the Navy made a special point of cordially approaching me, and stated that he had sent Nomura to Shanghai with the expectation of friendly cooperation and

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[8] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 191.

[9] In reply to an instruction from the Secretary of State, the Ambassador in Japan reported in telegram No. 63, February 12, 3 p.m., that "Foreign Office states orally that there are altogether slightly more than 10,000 Japanese residents in the Shanghai area outside the Settlement limits." (793.94/4133)

indicated his desire to bring hostilities to an end very soon.

Yoshizawa also was very cordial and stated that while they were demanding the 20-mile zone, he was disposed to make concessions as to distance in the interest of peace and would endeavor to get his colleagues of the Army and Navy to agree to this.

Baron Kato[10] has indicated that the internal situation in Japan is very dangerous, but he believes the conservative elements are forging to the front and will emerge victorious if Japan is not held together by pressure from the outside.

I am convinced our best policy is no move at present.

Nagai has been sick in bed but he assured Neville that Cunningham would be invited to assist.

I think it very possible the Japanese demands, that look extreme, will prove to have been made in part for trading purposes. I hope they will presently make concessions that are satisfactory but will not confidently predict any such event.

This evening a representative of the Navy Department informed Captain Johnson that a bomb had been dropped in the American settlement [*sector?*] through the error of a Japanese aviator, reporting 5 Chinese killed and 15 wounded. There were no foreign casualties. They were profuse in their apologies.

FORBES

793.94/4166

Memorandum by the Secretary of State

[Extracts]

[WASHINGTON,] February 11, 1932.

The French Ambassador called and read me certain cables, of which the following is a summary:

. . . . . .

A telegram dated February 10, from Shanghai, relates to the different kinds of mediation that have been tried in a rather confused manner through different channels. The French Minister complains of this lack of unity. He enumerates the different attempts which have been made: (1) Consul General Ciano di Cortellazzo (son-in-law of Mussolini) made a proposal to Shigemitsu, the Japanese Minister, for a neutral zone; (2) the British Admiral, Howard Kelly, who arrived only three days ago, has been very active. He had interviews with the Japanese and Chinese. All that was of no result. In the conversation with the French Minister, Mr. Wilden, the Admiral said

[10] Presumably Admiral Kanji Kato, Japanese Supreme War Councilor.

there was nothing to be done for the present; (3) the bankers of Shanghai made an approach to the British and American Consuls General, which had been related in a former telegram; (4) the defense committee of Shanghai sent two propositions to Admiral Kelly, the first one proposing a neutral zone between the Chinese and Japanese troops, agreeing to the following principles: (*a*) that such an attempt would be impossible unless the Japanese refrain from bringing up any further troops; (*b*) if those conditions were fulfilled, a practical result could be reached, resulting in the evacuation of the salient ("the tongue") of Hongkew by the Japanese, occupation of this tongue by a neutral force, the withdrawal of the Chinese troops for three kilometers west of the Railway; (*c*) it is not possible, owing to the labyrinth of crooked streets, to have an occupation by neutral troops in the area west of the tongue. The second resolution pointed out the danger of having international troops become implicated in the conflict. The only way to avoid this would be to have the Japanese troops evacuate the International Settlement. The defense committee does not explain how to accomplish this. The French Minister says he does not see how any local negotiations can be successful because the Japanese are evidently resolved to have a decisive success before they listen seriously to any negotiations. . . .

In respect to the confusion of counsels which the French representatives had reported from Shanghai, I begged the Ambassador to notice that none of these confusing proposals had been made by an American, and I then read him the substance of the telegram which I sent last night to Shanghai[11] to the effect that we did not think any peace parley was under contemplation by the Japanese, nor could we see any hope for doing anything ourselves in that direction and that the American effort should be confined to the endeavor to protect the International Settlement by all appropriate means. I told the Ambassador that this summed up my views; that I believed, as evidently his Minister did, that the Japanese had made up their minds to fight this thing out until they had made a sufficient success to wipe out the disgrace of the setback they had suffered. I then told him that my thoughts were going on a different line; that I was hearing very alarming news from my Minister in China[12] as to the effect the Japanese attack on the sovereignty of China was having on the people in China, and the imminent danger which Americans and other foreigners in China would be subjected to in case the Chinese people became suspicious that we were either sympathetic with or assisting the Japanese efforts to dismember China. I summed up the actions which were attributed to Japan against the Nine-Power Treaty, as well as the announcements

[11] Telegram No. 13, February 10, 8 p.m., p. 272.
[12] Telegram of February 9, 9 a.m., p. 256.

which had been made against it by the spokesman of the Foreign Office, and I told him that I had under consideration an action under the Nine-Power Treaty to offset this danger which had been suggested by our Minister. He at once grasped the idea and said, "In other words you are thinking of a *démarche* by the four powers under the Nine-Power Treaty." I replied that I had not reached the point of suggesting that, but I should think of it and I should like his Government to think of it.

The Ambassador then brought up the question of the protection of the Settlement. He told me he had lived in Shanghai and he knew the very grave danger which would exist in case the Chinese were forced to attack the Settlement or were driven into it by the Japanese. He said it was intolerable that the Japanese should use the Settlement for a base of operations against China; that there was plenty of room in China for them to fight elsewhere; that the Settlement was not intended for such purposes; and that their use of it both for means of landing forces and as a base of supplies was a complete violation of the purpose and charter of the Settlement. I told him that I realized all that; that we had protested from the beginning against using the Settlement as a base; that the British had supported us and I supposed the French also supported us. He said he supposed they had, but he thought now that a great battle was imminent and that the danger was extremely great; that another protest should be made in public against the use of the Settlement as a base. He thought the Japanese should retire from it and leave the protection of the Japanese element to the other nations; that that was the only way in which the Settlement could be protected from the danger of reprisals by the Chinese. I told the Ambassador I would consider it.

H[ENRY] L. S[TIMSON]

793.94/4226

Memorandum by the Under Secretary of State (Castle)

[WASHINGTON,] February 11, 1932.

The German Ambassador asked me about the latest news from Shanghai. I gave him an outline of what we had and told him that, at the moment, we were merely considering most seriously what should be done next. He said that he felt the note of January 7th was very important and that he should think that might be carried a little further. He said he was sure that his Government would consider refusal to recognize treaties resulting from the operations of Japanese forces as a real step in advance in international law. I said I was glad to hear him say this as some such move might conceivably be a

wise thing, that I felt a world wide front along these lines would certainly affect Japan, if anything could.

W. R. CASTLE, JR.

793.94/4109 : Telegram

The Secretary of State to the Acting Chairman of the American Delegation to the General Disarmament Conference (Gibson)

WASHINGTON, February 11, 1932—3 p.m.

11. Your 20, February 10, 9 p.m. For Wilson.

Last week the Japanese Government suggested to the American and several other Ambassadors at Tokyo that negotiations should be held upon Japanese initiative at Shanghai to the end that hostilities should be stopped and a neutral zone be established.

Upon being informed of this, I communicated last Saturday[13] with Sir John Simon and we agreed that opportunity should be given for the Japanese to proceed with such negotiations and that we would instruct our representatives in China accordingly. This we did.

However, it is evident that the Japanese authorities have made no serious attempt to negotiate. The fighting in the Chapei area continues, they have sent army forces of unknown numbers, bombarded the fort and village of Woosung, and, by the methods employed in their military operations, they continue to jeopardize the safety of the International Settlement.

Cunningham, at Shanghai, informs me that he and the British Consul General concur in the view that the Japanese have no plans for peace talk at Shanghai and that no progress has been made toward arrangement for cessation of hostilities or establishing a neutral zone.

Reports indicate that the Japanese Admiral demands that the Chinese withdraw to a distance of 20 miles from Shanghai as a condition of withdrawal of Japanese forces to the boundaries of the Settlement and that the Japanese Foreign Office spokesman has stated that the fighting will continue until the Chinese are driven 20 miles from Shanghai.

In view of all this, I have now, February 10, instructed Shanghai that we concur in the belief that the Japanese have no peace parley plans; we have no longer any reason to think that anything is likely to be accomplished by reliance on that idea; we believe that the Japanese suggestion has either been canceled without notice or is merely an attempt on their part to gain time; in our opinion the

[13] February 6.

demand that the Chinese should retire 20 miles is inadmissible so far as any consideration, sanction or participation on our part might be involved; we estimate that the Japanese may be planning a wide turning movement against the Chinese forces in and near Chapei; we visualize the possibility that the Chinese forces may be driven by the Japanese against the Settlement; and we feel that American effort on the spot should be confined to the endeavor to protect the Settlement by all appropriate means. I have so informed Tokyo and London. I have instructed Tokyo to say nothing to the Japanese Foreign Office on the subject. I have instructed London to inform the Foreign Office of the above and to state that I perceive no good ground for further communication with the Japanese at this time on this subject and no reason for any further delay by any government or organization in proceeding with any proposals or plan of action which it may desire to propose or to act upon, this, however, not to affect the suggestion which I made to the British Ambassador on February 9 for consideration in relation to possible future action; and that I requested that the Foreign Office inform Sir John Simon fully at once.

This is for your confidential information. It has been my understanding that Sir John Simon would, in his discretion, make such use of his knowledge of my views and action and the communications between myself and him as he deemed advisable. You will understand that there are situations in which considerations of urgency and practicability make necessary restriction as to the number of people consulted, together with use of the most expeditious channels of communication.

I perceive no warrant or justification for any "shirking" of its responsibilities by the Council or any assumption by it or by any one that the American Government has undertaken or will undertake an exclusive responsibility with regard to action on behalf of the rights and interests and obligations of the powers collectively concerned, in relation either to the Shanghai situation or the general aspects of the Chino-Japanese dispute. This is a world problem. The rights and interests of powers members of the League and of the League itself are involved and must be looked after by them. On these points, you should let my views be known discreetly to responsible members of the Council.

As you will perceive from the instruction which I have sent to Shanghai, it is my view that the situation at this moment is such as to give no warrant for further immediate effort on the part of the American Government in the field of measures of conciliation between the disputants. I shall refrain for the moment at least from such effort. This leaves the field absolutely clear, for those to whom that

knowledge is of consequence, to proceed in the light of their own interests and responsibilities.

Since the above was prepared, I have talked with Sir John Simon. I think it would be well for you to inform him at once, orally but in full, of all of the above.

For your confidential information I talked with Sir John Simon not only about the matters referred to above in this cable, but also about possible consideration of action under the Nine Power Pact. This, however, is wholly tentative and subject to further consideration. It should not be mentioned to anyone, and would not in any way conflict or hamper any action which may be under consideration by the League of Nations.

STIMSON

793.94/4111 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 11, 1932—4 p.m.

10. Your 17, February 11, noon. Lengthy instruction covering these matters is being coded[14] and will reach you shortly. Meanwhile, inform inquirer that negotiations are off and the field is free.

STIMSON

793.94/4089 : Telegram

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

WASHINGTON, February 11, 1932—4 p.m.

51. Your 51, February 7, 10 p.m.; 59, February 10, 9 p.m.[15] (last paragraph) and Department's 50, February 10, 8 p.m.[16]

Considering the serious embarrassment, not only to ourselves but to other governments and agencies vitally interested in the Shanghai situation, which has resulted from the miscarriage of these recent proposals, I would suggest great caution on the part of your staff in relation to any such projects.

I especially desire that, in case at any time another such project or a movement toward formulation of such should develop, I be promptly and fully informed not only regarding the project itself but regarding the source and circumstances of its origin and development.

STIMSON

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[14] *Supra.*

[15] No. 59 not printed.

[16] For Department's telegram No. 50, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 191.

793.94/4114 : Telegram

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

WASHINGTON, February 11, 1932—6 p.m.

15. Your 33, February 11, 4 p.m. I authorize you, in your discretion, to protest as from your Government, against all flying of any airplanes, whether Chinese or Japanese, in military service, over the International Settlement and again to protest against any use whatever, by either disputant, of any part of the Settlement as a base or channel in connection with military operations.

STIMSON

793.94/4154 : Telegram

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

SHANGHAI, February 12, 1932—3 p.m.
[Received 10:30 p.m.]

37. My telegram No. 33, February 11, 4 p.m. Admiral Taylor informs me that he sent by the pouch yesterday a written report of the two Japanese actions related in paragraph 1 to Vice Admiral Nomura and requested him to prevent a recurrence of flying over the American sector. Admiral Taylor's Chief of Staff was informed that orders had already been given to stop flying over the Settlement and he was assured that steps would be taken to see that such orders were strictly carried out.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4139 : Telegram

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

SHANGHAI, February 12, 1932—4 p.m.
[Received February 12—8:20 a.m.]

38. A 4-hour truce was arranged last night for purpose of evacuating wounded and noncombatants from Chapei area. This truce lasted from 8 a. m. to 12 noon today and was arranged by the British Consul General and myself at request of Major Hayley Bell, Shanghai volunteer corps, and Father Jacquinot. A Red Cross party entered the district for purpose above named. Noncombatant and wounded being evacuated to Settlement and French Concession where I under-

stand they will be cared for by Catholic Fathers if necessary. A tentative attempt was made from the Chinese side to prolong the truce for 6 hours but this did not meet with favor from Japanese naval authorities.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4142½

Memorandum of Trans-Atlantic Telephone Conversation[17]

SECRETARY: Good-morning, Sir John, this is Stimson.

SIR JOHN: This is Simon, how are you?

SECRETARY: First rate, how are you?

SIR JOHN: We are all very well here.

Well, now, from my end I have been thinking over what you said and I am anxious that we should keep in touch as regards a possible statement or declaration. A good deal would depend upon the time of it and in the contents of the proposal because we feel, with you, that there still are left some possible ways of approach. I got a telegram—a telegram this morning from our Minister which makes me hope it may be so. Anyhow he is only reaching Shanghai today.

SECRETARY: Well, now, what I wanted to know was are you in the same situation we are. If I should send you over a draft of what I propose that we should say, all of us, would it help you in the consideration of it?

SIR JOHN: Well, yes. My movements are these. I am going to be here at Geneva until Saturday[18] and I am leaving here at two o'clock.

[Here follows discussion as to where draft statement should be sent.]

SECRETARY: I could send it through Mr. Wilson. It would be understood, of course, that it is only tentative and subject to discussion with you.

SIR JOHN: I quite understand, I shall not speak to anybody about it. But would you mind my making two observations now before you actually send your draft?

SECRETARY: Very much. I don't want to send it if you have made up your mind entirely against the wisdom of any such move at all.

SIR JOHN: Oh no, it depends actually upon its contents but it also depends on the situation of the time when it is done. We should like very much, the British Government, to discuss that with you and we

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[17] Between Mr. Stimson in Washington and Sir John Simon in Geneva, February 12, 1932, 11 a.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

[18] February 13.

will do the very best to agree with you, but we have a slight difference there; not only are we members of the League of Nations, which is trying to deal with it so that I have to consider that point, but more than that. We take a more hopeful view of the possibility of things being stopped than I think you are inclined at the moment to do. This is based on a message from our Minister within the last day. I am not saying that with any desire to fail to cooperate with you, very much to the contrary, because we are most anxious to do so. But I do think a great deal will depend on the statement in regard to reserving rights and calling attention to the Nine-Power agreement is a thing which is an absolute . . .[19] of the judgment in a matter which after all the Council of the League is considering. I mean I must not get myself into that position, but I desire to say that the British Government, a member of the League, is unable to pronounce judgment itself alone right away.

SECRETARY: I have foreseen this difficulty. I have tried to avoid passing judgment on the facts, and such facts as I have mentioned are intended to be facts beyond dispute and without any apportionment of the original blame.

SIR JOHN: Yes, that is your intention. Have you seen the report, at least the first part of the report, which was made with the help of a member of the Shanghai Commission?

SECRETARY: I have seen that and I have been doing my work with that before me and with the intention of avoiding —— I have intended not to go into the nature of the boycott.

SIR JOHN: It really is a matter of great importance so I should like to see your document as soon as you can get it to me. You will appreciate that I can't give you an answer until I get to London on Sunday because I must speak to Mr. MacDonald about it. I really don't quite see at the moment, from your point of view, that delay is serious for you. I don't see why it is because they are not actually going to stop immediate operations.

SECRETARY: I agree with you perfectly. I think it is safe, so far as I can see. My only fear would be some turn for the worse or some situation involving the Settlement or some other change which I do not anticipate now.

SIR JOHN: If you remember, we have sent our best man down and he is in Shanghai today, and we have especially asked him to send us an appreciation of his views, and he takes a very good view and he is a very wise man. We shall, undoubtedly, get from him at the end of the week his own appreciation and I will do my best to let you know what he says.

[19] Apparently poor telephone connection at this point.

SECRETARY: I should be very glad.

SIR JOHN: He has very good judgment and he knows the Chinese people very well, their reactions, et cetera, so, of course, the British Government would want to decide with that before them.

SECRETARY: I want to say that I am also waiting for my Minister to come there and to hear from him—he is there now. I am expecting word from him but I want to be perfectly satisfied that you want me to communicate with you as to this paper in Geneva, or shall I send it to London?

SIR JOHN: Well, is it ready or are you waiting for a day or two?

SECRETARY: It is ready now—the first draft—I can get it to you.

SIR JOHN: I think, Mr. Stimson, to save time, if I could have it sent to me here, I should be glad, although I shall not attempt to deal with it until I get to London. I should like it if I might send a message to our Minister at Shanghai and tell him to keep in as close touch as he can with your Minister to take their position together. Do you propose to do the same thing with your man?

SECRETARY: Yes.

SIR JOHN: Well, I shall send a message to say to him that I understand that the American Minister has arrived and as he is making an appreciation of the situation for me I wish he would keep as closely as possible in touch with the American Minister and we should be very glad to have a close consultation.

SECRETARY: I have already asked my Minister to make an appreciation and I shall now ask him to consult with yours.

SIR JOHN: Of course it is not directly concerning America, but you might like to know that the Chinese representative here at Geneva has asked that the dispute may be referred from the Council of the fourteenth to the Assembly.[20]

SECRETARY: Yes, I have heard that already.

SIR JOHN: And you might like to know that we are having a meeting in a few minutes time of the Council without the Chinese and Japanese members and we are going to consider how we shall deal with that. They asked for it. That is the situation here.

SECRETARY: Well, now, just let me say this to help you with your work today in the meeting of the League. There is nothing in my proposition which is intended to forestall the judgment by the League. I do not intend to go into a judgment on the facts.

SIR JOHN: Would you agree that I might say to them in their private meeting that I was in touch with you and I was quite sure that the United States was continuing to take an interest in the situation. It would be a great encouragement to them to feel that that is so.

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[20] See *infra*.

SECRETARY: Yes, that is absolutely true.

SIR JOHN: I will not repeat or suggest that you and I are engaged now in negotiations for a neutral zone because it isn't true.

SECRETARY: It isn't anything of the kind. We are not doing that at all.

SIR JOHN: I am in close communication with you and I am able to assure them that the United States is keeping in close touch with the situation.

SECRETARY: That is absolutely true and furthermore I have been encouraged to believe from what I have heard that the League has shown that it is not at all adverse to any work that we may do under the Nine-Power Pact.

SIR JOHN: You got that view from Mr. Wilson, probably.

SECRETARY: Yes, I get reports from him frequently.

SIR JOHN: I want to come back to London because I want to impress upon my colleagues the very great importance of our acting together. The only difficulty is the nature of the declaration, or if not that, the time of it is bound to be very difficult for us, especially as we are members of the League, but I don't expect that because I imagine your draft is in the sort of form which would not get us into difficulty.

SECRETARY: Yes.

SIR JOHN: Unless there is something you want to say to me especially I shan't try to ring you up tomorrow but may I tell Wilson I am expecting him to communicate your draft to me?

SECRETARY: Yes, but if by any chance some unforeseen accident should prevent me I will send it to you in London.

SIR JOHN: No doubt, of course, you are communicating this to me through Wilson but for the moment it is only for me.

SECRETARY: Yes, Wilson is not familiar with the proposition in detail at all.

SIR JOHN: I thought so. He was most helpful in a conversation I had with him but I did not think that on this point he appeared to be dealing with it, so I said nothing.

SECRETARY: Well, the one purpose that I wanted to make clear to you and the thing I wanted to find out from you was whether you saw any obstacle now, assuming that the situation in Shanghai does not change, to our cooperation.

SIR JOHN: We have to go carefully because we are in very exclusive areas.

SECRETARY: You see no reason why, on the general sharp issue of keeping alive the Nine-Power Treaty, your country should not stand with us.

SIR JOHN: I do not see any at all.

SECRETARY: That is exactly what I wanted to know. My whole

proposition, provided you agree with that, is to make the rest of the paper agreeable to you.[21]

SIR JOHN: I hope to be able to communicate with you on Monday.

SECRETARY: Thank you so much, good-bye.

793.94/4143: Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 12, 1932—4 p.m.
[Received February 12—noon.]

81. The Secretary General has just made public the following text of a letter from Yen bearing today's date:

"With regard to the Sino-Japanese dispute of which the Council has been seized under articles 10, 11 and 15 of the Covenant of the League of Nations, I have the honor to observe that according to article 15, paragraph 9, of the said Covenant it is within the competence of the Council to refer the case to the Assembly. At the same time it is also provided that the dispute shall be so referred provided that such request be made within 14 days after the submission of the dispute to the Council. In view of the time limit imposed the Chinese Government is constrained hereby to request that the said dispute be referred to the Assembly. If, however, it should be the pleasure and intention of the Council to refer the said dispute at its own initiative to the Assembly or in virtue of the general powers vested in it to summon the Assembly for consideration of the dispute, the Chinese Government will then be prepared to withdraw the request on its part."

The situation created by this action on the part of the Chinese is not yet clear. It is being studied and the Committee of Twelve is meeting this afternoon to consider it.

GILBERT

793.94/4142: Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 12, 1932—5 p.m.
[Received February 12—10:55 a.m.]

48. 1. At noon today Lo Wen-kan, Minister for Foreign Affairs, sent for British Counselor and me and showed us message he had received dated February 11, midnight, from his intelligence officer in Shanghai reporting that the Japanese admiral had informed foreign military commanders that by February 14 he would have 20,000

[21] For text of this draft, see telegram No. 11, February 12, 2 p.m., to the Minister in Switzerland, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 80.

soldiers, 7,000 marines and 40 naval vessels taking part in the battle with the Chinese at Shanghai. Lo asked Ingram and me to telegraph to our respective Ministers requesting that they do their utmost to prevent this accretion in strength from resulting in intensified hostilities. He said, however, that the Chinese forces would resist when the attack was launched and he informed us privately that the 19th Route Army had telephoned the Government again that they would never surrender to Japanese attack. It was arranged that Ingram should telegraph Lo's message to the British Minister and ask that it be communicated to the American Minister.

2. Lo also expressed the hope that if intensified hostilities took place the International Settlement would not be involved but he observed that if this unfortunately occurred the Chinese could not be held accountable while they were engaged in defending their own territory. He said the Government earnestly hoped that Great Britain and France would succeed in inducing the Japanese to withdraw from Chinese territory.

3. Wang Ching-wei has left Puchen for Hsuchowfu in North Kiangsu where he will meet Chiang Kai-shek in conference.

4. Nanking is superficially quiet but there is an undercurrent of anxiety lest a decisive defeat of the Chinese forces at Shanghai may demoralize the troops forming the Nanking garrison. This anxiety is apart from the constant menace of the six Japanese naval vessels anchored here.

Repeated to Peiping, Shanghai and Tokyo.

PECK

793.94/4141 : Telegram

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

TOKYO, February 12, 1932—6 p.m.
[Received February 12—9 a.m.]

64. Replying to your telegram No. 51, February 11, 4 p. m., the only details I can add to my telegram No. 51, February 7, 10 p. m., are that in endeavoring to work out a formula for some sort of basis for adopting your points in your telegram 34, February 1, 3 p. m.,[22] to the objections raised by the Foreign Minister, I had Neville talk the matter over with the British Ambassador and endeavor to ascertain from his, Neville's, contacts in the Foreign Office whether in their opinion any suggestions for a new basis had better originate apparently from Shanghai or from a concert of powers. All this was done

[22] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 174.

solely with the idea of submitting the recommendations to Washington. I asked McIlroy to develop the same idea through his contacts with the same purpose. In doing this they made no proposition and said they were acting solely as individuals. Both Neville and McIlroy in talking merely urged most favorable consideration by the Japanese of the proposition submitted by you in your telegram 34, February 1, 3 p. m. Although received coldly at first, they were asked to come back later and the propositions submitted to you were given to them orally as what the Japanese felt they could do.

The net result of this proposition is that the Japanese are now willing to have the neutral zone, suggested in your telegram 45, February 6, 8 p. m., patrolled by neutrals and have abandoned their former position that they must participate in policing this zone. This was their principal concession and we do not understand they have receded from this.

I regret extremely if this has proved a position embarrassing to you. Our contacts here are now much more cordial and satisfactory, both in Army quarters and in the Navy where we learn Johnson reports a complete change in their attitude; and we are not conscious here of any change for the worse in the situation. The British Ambassador concurs in this.

The local situation is distinctly better in that the tension noted in our telegram No. 34, February 2, 9 p. m.[23] seems to have died down. There is less uneasiness. In all our conversations with the Government and with individuals a more conciliatory tone is evident.

FORBES

793.94/4144 : Telegram

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

SHANGHAI, February 12, 1932—6 p.m.
[Received February 12—1:30 p.m.]

40. Continuing my daily report 36, February 11th.

1. On the Chapei sector the truce was supposed to prevail from 8 a. m. to noon for the purpose of bringing out women and children. It is roughly estimated that about 5,000 refugees with their belongings were brought into the International Settlement. The Japanese refused to extend the truce because, as they stated, it would only enable the Chinese to strengthen their position. Foreign observers state that the Chinese did not observe the truce but kept shooting at the Japanese

[23] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 175.

front lines. The Chinese, however, deny this. We undertook to secure 6 hours' extension as many refugees still remain within the lines but the Japanese would not consent. Bombers are still up in the air attempting to spot Chinese gun positions. Artillery duel was still in progress at 3:30 p.m.

2. On the Woosung front things are relatively quiet only desultory rifle and machine-gun fire taking place. It is said that the Japanese expect to be ready for a final drive at Woosung on or about the 14th.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4142½

Memorandum of Trans-Atlantic Telephone Conversation[24]

MR. WILSON: Hello, Mr. Secretary. Sir John Simon attended a luncheon today with the Anglo-American Press Association from Paris meeting in Geneva and I want to read to you what he said to those men. He said, "he thought that the Chinese had very admirably brought and defended their case before the Council but he wondered if they were in as close touch with their central government as the British would be, for example, in similar circumstances." It seems to me and Sir John Simon that the Covenant of the League was drawn up with the League as a separate entity capable of governing itself and at the same time guaranteeing the peaceful safety of their own citizens, as well as the lives of foreigners on their soil, as is the case with China. "It also would seem that the Covenant was drawn up without considering the ultimate necessity of the expansion of any certain nation; without the consideration that history has shown us that boundaries are never stable and bound to change from time to time. If all the present expansion taking place is quite along similar lines to those followed out in China by our own country one hundred years ago ——["]

SECRETARY: You mean their attitude in India.

MR. WILSON: "We are inclined to regard China as a country or is it rather a geographical phrase. Is it wise for China to invoke the Assembly. As a lawyer I should point out that when one takes a case away from a lower court, before that court hands out a decision, it may or may not be a wise thing to do." Did you hear that?

SECRETARY: Yes, I hear that.

MR. WILSON: That is causing a good deal of commotion among the press here and I thought you might later hear stories based on

[24] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, February 12, 1932, 3:55 p.m.

that. This was given not for quotation but as background for the press.

SECRETARY: To what press did he make this statement?

MR. WILSON: To the members of the Anglo-American Press Association who are now in Geneva.

SECRETARY: I am much obliged to you for letting me know.

MR. WILSON: Yen has written a letter to the Council requesting that the Assembly be convoked as is his right under Article 15 of the Covenant. This afternoon a private meeting of the twelve was held. This morning on the strength of your No. 10 of February 11, 4:00 p. m., I informed Boncour of its contents. Later in the day, on the strength of your No. 9 [*11*] of February 11, 3:00 p. m., I informed Sir Eric Drummond and Sir John Simon of its contents. At the meeting of the twelve—I am afraid I have to read again some notes as to what took place ——

SECRETARY: What happened at the Council of the private meeting this afternoon?

MR. WILSON: For more than an hour discussions centered about all the various legal complications and whether such an Assembly should be called by the Council under Article 15 at the request of the Chinese, or should be called by the Council itself under Article 15 as suggested alternatively in the Chinese letter, or should be called by a majority under the regular rules of the Assembly. During this time practically no reference was made to substance of the dispute, to the negotiations at Shanghai, or to any information from the United States.

Finally, however, Boncour suggested a hasty draft of a resolution which the Council . . .[25] in response to the Chinese initiative. This was to the effect that ["] in the absence of news as to the negotiations undertaken by the powers at Shanghai, and in view of the incompleteness of the Council's own investigation, the Council felt unable at the moment to decide whether to call a special Assembly or definitely to renounce its right to invoke its moral authority in case of need. I have, of course, left entirely to China the question whether it would be opportune to do so.["]

After several other interventions, Simon said that he thought perhaps the opening phrase regarding the negotiations of the powers might be undesirable. The reference at this moment to negotiations now going on would give more knowledge than he actually possessed. His Government had recently told the Council that negotiations were going on on the spot in collaboration with the United States. His Government was in close touch with the United States and had indeed

[25] Apparently poor telephone connection at this point.

a communication from them today. He was not, however, able to say precisely that negotiations were going on, though he knew that the United States were still interested. He did not want to assert more than he actually knew. His information for the last two days was not precise enough to justify the phraseology proposed.

Boncour urged that the Council could hardly fail to speak of the negotiations. If they were continuing they would justify the Council's abstention; if they were terminated, a new situation would be created; the hostilities continued. The Council would have to consider what to do. After several other speakers, Boncour returned to this question with a somewhat altered phraseology, with the phrase, "While awaiting final results of the negotiations of the powers brought to the attention of the Council".

Simon again quickly intervened to say that he could not feel justified in assenting to a resolution, putting in the very forefront that to his knowledge no negotiations in any strict sense were going on. He said, however, he did know, as he was in close touch with the American Government, that that Government continued its interest in the matter; that the American Minister had reached Shanghai today as had the British Minister and they were discussing the situation, but he felt unable to assert that negotiations in any sense were going on with the Japanese or Chinese because he did not have positive knowledge that they were.

Boncour at once replied that the Council had actually proportionated its work to these negotiations. It must have constantly in mind the intense public emotion now existing. He thereupon recalled the satisfaction which the Council felt on being informed on February 2nd of the *démarche* of the powers. He thought it would be quite impossible to allow all that to disappear from a resolution adopted in public. It would not be necessary to emphasize that these negotiations were active but they had been "the most excuse." You see he made use of the words for the Council's abstention, and they must now be kept in the picture.

Drummond then wondered if it were really necessary to bring all these matters into the reply to the Chinese. After all it would be quite enough to meet their letter to use some general phrase as the Council was proceeding actively with its work. Now the rest of this, Mr. Secretary, I need not read to you. That, I think, is the essential part as relating to the question of whether or not we are continuing our negotiations.

SECRETARY: Well, we are not engaged in any negotiations as I informed you yesterday.

MR. WILSON: It is being said at the Council in spite of the fact that I gave them your message.

SECRETARY: I told you to tell them that we were doing nothing which would keep them from going on with whatever they wanted to do.

MR. WILSON: And I did so, distinctly and definitely. I want to ask you a couple of questions, Mr. Secretary. The decision is put off until the private meeting Monday. May I advise here again that the negotiations, so far as we are concerned, are no longer continuing?

SECRETARY: Yes.

MR. WILSON: May I advise Drummond by writing confirming my conversation with him today stating that the negotiations, so far as we are concerned, are no longer continuing and the field is free.

SECRETARY: Well, I hesitate to put anything in writing of that sort for the effect of the publicity outside. I don't think that it is necessary.

MR. WILSON: What do you recommend?

SECRETARY: I recommend that if the question is put to you, as you indicate it may be, you can say that there are no negotiations going on so far as we are concerned.

MR. WILSON: I shall answer any question in that way then.

SECRETARY: Yes. I don't think there is any reason to get excited over that; it is a problem of the League of Nations and they are trying to find a reason for taking a little more time perhaps over a difficult obstacle that lies in front of them. But our situation is as I have told you in that cable of yesterday. That put it about as plainly and as flatly as I could put it in language.

MR. WILSON: As I explained it to them, nothing could be more clear.

SECRETARY: I have sent you a cable today[26] to the effect that an urgent communication is coming to you now[27] for delivery to Simon tomorrow morning before he leaves. That has nothing to do with any negotiations at Shanghai and has nothing to do with any answer to the question which you have now asked me and should not in any way interfere with the League's performance in any way whatever. There has been so much communication back and forth that the air is full of dust and I don't want any more dust to be excited. There is nothing that I know of in the air which will prevent the League from going on and doing whatever it wants to do and I should think that if you have any occasion to repeat that message to the members of the League tomorrow, you had better tell Simon at the same time what you have done so that there will be no cross wires between you and him. Tell him you had this talk with me. Tomorrow you can give him the instructions I gave you.

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[26] No. 9, February 12, noon; not printed.

[27] See telegram No. 11, February 12, 2 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 80.

MR. WILSON: Yes.

SECRETARY: The meeting of his Minister and my Minister in Shanghai today is not intended for the renewal on our part of any negotiations there at all.

MR. WILSON: That is of interest.

SECRETARY: But merely, so far as I am concerned, to give me any information that my Minister may get from the British Minister or from anybody else. It is not intended to renew any good offices between the two contesting nations or to set on foot any new negotiations. Our Minister, Nelson Johnson, has gone down to Shanghai—I am very glad to have him on the spot—but he is not authorized to undertake any negotiations between China and Japan. Is that entirely clear?

MR. WILSON: Yes, that is clear.

SECRETARY: Don't let that fact start any new rumors.

MR. WILSON: I won't—I will be very definite about it.

SECRETARY: Be sure that you get that message to Simon. If by any chance you fail to get it to him tomorrow, for any reason whatever, I want it sent to him in London wherever you can reach him.

MR. WILSON: Yes, I understand.

SECRETARY: Good-bye.

793.94/4132 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 12, 1932—4 p.m.

12. Department's 10 [bis], February 12, 1 p.m.[28] With further reference to your 18, February 11, 7 p. m.

1. You may tell Drummond that the question of sending a memorandum on the Shanghai situation for the information of the Council is being considered.

2. On the general situation and our views in regard to our responsibilities and the responsibilities of the Council, you may inform Drummond discreetly of facts and position outlined in the Department's No. 11 of February 11, 3 p. m. to the American Delegation. I perceive no objection to the Council's making a special and strong appeal to Japan. Any effort which any agency may make at this time toward the objective of bringing the hostilities to an end will have my approval in principle and will in no way conflict with the line of action which I have under consideration.

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[28] Telegram reads: "Your 18, February 11, 7 p.m., last paragraph. Please see Department's No. 32, January 30, 5 p.m. to Consulate. Further reply will follow." (793.94/4132)

3. In view of apparent doubt at Geneva with regard to the American Government's continuing interest and solicitude with regard to this situation, you may say that suspension of my effort in relation to recently advanced proposals of conciliation in no way means that my general concern and my efforts with regard to the whole situation and the problems in general which it presents are abated. Also, state that my desire to cooperate with the League in reference to this whole matter and to take steps where possible concurrently with and parallel to the steps which it takes continues.

4. Also inform Drummond in accordance with Department's 32, January 30, 5 p. m. to the Consulate.

STIMSON

793.94/4163b : Telegram

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

WASHINGTON, February 12, 1932—4 p.m.

16. For the Minister and Consul-General. For your confidential information and guidance.

Reference Department's telegram to the American Consul, Shanghai, No. 13 of February 10, 8 p. m.

The Department has today telegraphed Minister Wilson at Geneva, for discreet communication to Drummond, in part as follows:

"Any effort which any agency may make at this time toward the objective of bringing the hostilities to an end will have my approval in principle".

STIMSON

793.94/4178a : Telegram

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

WASHINGTON, February 12, 1932—5 p.m.

17. For the Minister. I desire that you keep in close touch with the British Minister and that you keep me promptly and fully informed of your views in reference to current developments and estimated possibilities.

STIMSON

793.94/4153 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 12, 1932—midnight.
[Received February 12—10:51 p.m.]

19. Continuing the memorandum concerning the private meeting of the Twelve this afternoon, the first section of which I read over the telephone the evening of February 12, Sweetser's memorandum continues.

Boncour then said that the long discussion showed that all agreed that the Council itself could not for the moment summon the Assembly, that similarly it would not renounce its right of subsequent appeal to this more formal moral authority but that the Chinese themselves were undoubtedly free to take this action if they so desired. The only question then was one of the exact form, which Drummond suggested might be submitted to a meeting of the Twelve on Monday[29] in anticipating a full session either public or private on Tuesday. Zulueta then with obvious embarrassment at the end of the meeting urged that he himself was greatly preoccupied with the substance of the affair whereas the discussion had borne only on the juridical complexities. However important these were the great problem itself was always present. He did not want to embarrass the negotiations in the slightest degree; on the contrary they should have the Council's whole moral support. If the activities of the powers do not succeed at least in preventing hostilities, the Council must take action of some sort or other. The Council has had a great moral authority. Indeed that is all it has and it must exercise it. He feared that authority had already been seriously compromised and begged his colleagues not to forget the substance of the affair. Two members of the League were practically at war; the moment was coming when the Council must respond to a movement of world opinion which is thoroughly sound and right. At this moment at the end of the meeting Zaleski rose to leave. Colban said that in order that the silence should not be misinterpreted he wanted to express his cordial agreement with Zulueta with which Simon also concurred.

The balance of the memorandum which contains an analysis of the legal argument regarding the transfer of the question from the Council to the Assembly I am forwarding by mail[30] with the exception of one paragraph in which Drummond outlines the Chinese point of view as explained by Yen. This paragraph follows:

[29] February 15.
[30] Not printed.

"Drummond then explained that Yen's purpose seemed to be to reserve his right to refer the matter to the Assembly which otherwise would have lapsed today. It was noticeable that his letter did not suggest a date for the convocation; indeed he had specifically added that he did not want to fix a date and in any case did not want an immediate meeting. He had no idea of pressing the matter but merely wanted an assurance that his right would not lapse. The question of voting he did not think very serious as the Council itself would have to have unanimity except for the parties and the only added difficulty would be the necessity of having a majority of the other members of the Assembly."

WILSON

793.94/4080 : Telegram

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

WASHINGTON, February 12, 1932—12 p.m.

19. For the Minister. Your February 9, 9 a.m., from Nanking, paragraph 2, last sentence.

1. I have had in mind for some time the possibility of making a statement such as you suggest on behalf of maintaining the principles and provisions of the Nine-Power Treaty. At present I am conferring with the British Minister for Foreign Affairs regarding the possibility of a joint or concurrent statement by the two governments and perhaps others. I have reason to believe that he may be in considerable measure influenced by reports and recommendations which may be made to him by the British Minister to China.

2. I therefore desire that you discuss with Lampson the dangers inherent in a policy of undermining the authority of the Nine-Power Treaty, attributed to Japanese official sources, as reported, and express to him your views regarding the situation and your suggestion for meeting this attack on the Treaty and averting a possible disastrous reaction among the Chinese as outlined to me in paragraphs 2 and 4 of your telegram under reference.

3. In taking this up with Lampson, you should avoid disclosing that you have been thus instructed, and should not mention the information given in paragraph 1 above unless Lampson himself discloses that he has been so informed.

STIMSON

793.94/4904

Memorandum by the Minister in China (Johnson)[31]

SHANGHAI, February 12, 1932.

CONVERSATION WITH DR. WELLINGTON KOO, GENERAL WU TIEH-CHENG, MR. QUO TAI-CHI, T. V. SOONG

The above mentioned gentlemen called on me this evening and asked me my impressions of the situation in Shanghai. I stated that I considered the situation to be very serious. They asked me whether there was any chance of a cessation of hostilities, and I said that I did not know about that as I had not had an opportunity yet to discover just what the possibilities might be. Mr. Quo Tai-chi asked whether the United States was going to do anything about the situation, in view of the fact that the Japanese had refused to consider the five very reasonable proposals or points which the Powers had made to the Japanese and to the Chinese. He wanted to know whether we were going to simply allow the Japanese to get away with that. He said that furthermore the Japanese had continued to use the International Settlement as a base for operations against the Chinese contrary to the protests made by the United States. I told Mr. Quo Tai-chi that so far as I knew the United States was not necessarily involved because the Japanese had refused to accept the proposals which the Powers had laid before the two countries. After all, the proposals were friendly ones and not dictated as an ultimatum. The mere fact that one party had refused to accept the proposals did not impose upon the Powers suggesting them any responsibility. They wondered whether any effort was being made to follow up the proposals of the Powers with new proposals. I said that I did not know.

Mr. Quo said that it would be impossible for the Chinese not to resist the attacks of the Japanese. It was a question of invasion of Chinese territory. The Chinese had no other recourse but to make resistance.

In response to a further query as to whether it might not be possible to bring about the cessation of hostilities and a settlement of all questions I stated that it seemed to me unlikely that such could be done. I said that I felt that the Japanese felt hurt in their pride and prestige over the developments at Shanghai and that they must make an effort to retrieve their position before they would be ready to cease hostilities. I expressed it as my opinion that the only way that I could see for a cessation of hostilities would be for the Chinese to retire out of the congested area of Chapei thus giving the Japanese no excuse for further attack there. They remarked that it would be

[31] Copy transmitted to the Department by the Minister in his despatch of March 2, 1932; received March 26.

impossible for the Chinese to retire without loss of face and without causing difficulties for the Government which it would bring out. I stated that it seemed to me that the 19th Route Army have achieved a victory which no event could deprive them of now that they were in a position where they might voluntarily retire from the scene undefeated to fight elsewhere under better conditions. I said that they could easily explain to the people that they were retiring out of consideration for the civilian residents of Chapei whose safety was being jeopardized by the fighting there.

They asked me whether I advised them to do this.

I stated that I had no advice to give anyone on this question, that it was a matter for decision by the responsible leaders of the Chinese. I said that I did not come to Shanghai on any mission to impose or arrange a peace, that I had merely come down for the purpose of exploring the situation and informing myself as best I might of conditions here existing in order that I might better inform my Government.

After some further discussion the conversation ended.

N[ELSON] T[RUSLER] J[OHNSON]

793.94/4893

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

No. 8127 SHANGHAI, February 12, 1932.
[Received March 26.]

SIR: I have the honor to refer to this Consulate General's telegram No. 8 of February 6, 5 p. m., advising the appointment by the Consular Body of a committee to make recommendations regarding the disposition to be made of certain Chinese detained by the Japanese and handed over to the Shanghai Municipal Council. This committee is composed of:

Mr. N. Aall, Consul General for Norway.
Mr. P. Grant Jones, Assistant Judge H. B. M. Supreme Court.
Mr. G. Ros, First Secretary of the Italian Legation.
Mr. R. T. Bryan, Jr., Municipal Advocate.

There is enclosed herewith a copy of the report of this committee to the Senior Consul.[32] The report is transmitted as information and in particular to complete the record of one of the least justified of the acts of the Japanese military authorities in the Settlement. It will be noted that Mr. Aall states that he was informed through the Secretary of the Consular Body on February 9, 1932, that the Japanese

[32] Circular No. 42–M–XIII of February 10; not printed.

authorities did not have any charges against any of the Chinese handed over. This was confirmed by Mr. Aall later in a conversation with Mr. Murai, the Japanese Consul General. One can not but surmise what would have been the condition of these prisoners had the Shanghai Municipal Council not made a protest, and the Consular Body followed this protest up with a request for the release of the prisoners to the Shanghai Municipal Council authorities.

Respectfully yours, EDWIN S. CUNNINGHAM

793.94/4874

Statement of the Chinese Government[33]

With the full realization of its responsibility to the civilized world and willingness to submit the accuracy of these statements to an impartial international inquiry and adjudication the Chinese National Government presents the following summary of the Sino-Japanese imbroglio from its inception.

At no time since the Russo-Japanese War has the Chinese Government doubted the purpose of Japan to seize Manchuria whenever an opportune occasion arose. At the conclusion of the Russo-Japanese War which was fought chiefly on China's soil against China's protests, Japan put strong pressure on China to implement Japan's gains from Russia and to grant Japan additional special privileges impairing China's sovereignty and contravening the Open Door policy in Manchuria. China resisted those demands to the utmost of her ability.

When the World War arose Japan took advantage of the preoccupation of the Powers and China's military weakness to present the Twenty-one Demands which if conceded would have destroyed China's sovereignty not only in Manchuria but in other parts of China as well. Under Japan's ultimatum China was forced to concede some of those demands which she did under protest and so notified all friendly powers.

At the Paris Peace Conference, at the Washington Conference and before the League of Nations China reiterated her protests to those exactions of Japan and repudiated them on all suitable occasions. At the Washington Conference China refused to conduct separate negotiations with Japan and insisted that the Sino-Japanese questions must be discussed in purview of the whole conference. By signing the Nine Power Treaty at Washington China's territorial integ-

[33] Received by the Chinese Legation, February 12; handed to the Chief of the Division of Far Eastern Affairs by the Counselor of the Chinese Legation, apparently on February 13.

rity and administrative autonomy was guaranteed by all the Powers and it was definitely stated that Manchuria was an integral part of China's territory. That Treaty also provided for appeal to the signatory powers in the event of disagreement about the interpretation of the Treaty and infraction of its terms.

Subsequent to the signing of the Nine Power Treaty the Chinese Government has invariably in its relations with Japan and other Powers insisted on observing the terms of the principles of that Treaty but owing to Japan's continuously trying to step outside the Treaty and insist on having special rights in China especially in Manchuria the Chinese Government has been unable to avoid disputes and frictions with Japan which when serious China tried to refer to the League of Nations and the Court of International Justice. China gladly became a party to the Kellogg-Briand Pact renouncing force as a means to settle international disputes and obtain political objectives and has associated herself with all similar plans to secure peace. On several occasions China sought without success to invoke the provision of the League of Nations Covenant that obsolete and unsatisfactory treaties might be revised.

That broadly was the situation last September when without any provocation justifying such action the Japanese troops attacked the Chinese at Mukden and usurped the control there. A careful analysis shows without doubt that Japan's military coup was premeditated and carefully planned. Dispositions were commenced days before September the eighteenth.

It is scarcely necessary to review the events in Manchuria since then. By using various pretexts the Japanese army has overturned Chinese authority in Manchuria and taken control of almost the whole of those provinces while China appealed in vain to the League of Nations and other peace pacts.

At times since the Mukden attack Japan has tried to draw the Chinese Government into separate negotiations but China, following the precedents set at Paris, Washington and Geneva, has refused to negotiate without the presence or participation of neutral powers knowing full well that she cannot singly resist Japan's pressure backed by its unbridled military force which aims at the annexation of Manchuria.

Those tactics failing to frighten the Chinese Government Japan decided to carry military action into the heart of China showing her contempt and indifference to the world's opinion with the purpose of convincing the Chinese that it was hopeless to appeal for outside help. During four months of continuous Japanese military aggression the indignation of the Chinese people was aroused to the highest pitch while the Chinese Government already harassed by natural

calamities was faced with the task of dealing with an invasion from without and restraining popular feelings within.

Having sent naval forces to Shanghai with the stated purpose to protect the Japanese residents' property there the Japanese Government presented through the Japanese Consul-General certain demands to the Chinese local authorities at Shanghai requiring complete acquiescence by six o'clock P.M. on January 28th. At two o'clock that afternoon the Chinese replied fully accepting Japan's demands and was assured by the Japanese Consul-General that the reply was satisfactory. Nevertheless at midnight that night the Japanese naval forces advanced into the Chinese territory and attacked the Chinese police and garrison troops. The Chinese Government has no doubt that disinterested foreigners on the scene have more or less correctly informed the world of the events at Shanghai since January the 28th, but the Chinese Government wishes to emphasize the following points.

The Japanese naval and military forces have used the international settlement at Shanghai both as a base for their attacks on the Chinese police and troops and as a sanctuary where they can retire when repulsed and for recuperation and re-supply.

The Chinese troops defending China's soil from the ruthless invaders have been unable to reply effectively to the Japanese attacks without endangering the lives and property of thousands of friendly neutral foreigners residing in the International Settlement and surrounding suburbs and have been unable to pursue their Japanese attackers without risking a conflict with friendly neutral foreign police and troops protecting the Settlement.

The Japanese naval and military forces have used riverfront docks within the International Settlement to land their troops, artillery and supplies. The Japanese warships anchored at the Whangpoo River alongside the International Settlement fired over the Settlement at the Chinese forces resisting the Japanese attacks in the Chinese territory outside the Settlement and the Chinese artillery cannot reply effectively without gravely endangering scores of neutral vessels in the port. The Japanese flagship with the Japanese Admiral and Staff directing attacks lies alongside the wharf near the center of the Settlement.

The Japanese airplanes bombed all parts of the Chinese sections at Shanghai and also parts of the International Settlement and then withdrew over the mid-section of the International Settlement.

The Japanese military forces and civilian ununiformed elements have killed and injured presently an incalculable number of Chinese —peaceable, unarmed men, women and children—estimated between

one and two thousand, and imprisoned and maltreated many others and executed many without trial.

Japanese bombings and fires started by bombs already have destroyed property roughly estimated to be hundreds of millions of dollars.

The Japanese Government excuses these atrocities by alleging military peril due to the proximity of the Chinese troops. The Chinese Government solemnly declares that excuse as a transparent pretext. It is impossible to send Japanese troops anywhere in China without being surrounded by Chinese population and near Chinese troops occupying their regular stations. The Japanese military forces have pushed forward into China's territory always making the excuse that nearby the Chinese troops constitute a menace. It is evident that such reasoning provides an excuse for the complete conquest of China by Japan.

When the United States, Great Britain and France supported by Germany and Italy recently presented to Japan and China a note in five categories designed to end the hostilities to bring about a liquidation of this situation worse than war, the Chinese Government without hesitation accepted the proposals of the Powers in full.

In flatly turning down at first the proposals of the International Shanghai Defense Committee, then the Powers' five proposals and more recently still British Admiral Kelly's scheme, Japan is thus closing every avenue to peace, leaving China no alternative but to continue to adopt appropriate measures of self-defense to the best of her ability.

The Chinese Government asks the world to contrast the known facts on Japan's acts in China during the last few months with the Japanese Government's latest statement that: "It is the immutable policy of the Japanese Government to ensure tranquility in the Far East". Also contrast Japan's statement that: "Her troops are in China only to discharge international duty". With the efforts of the League of Nations and Washington the Treaty Powers induce Japan to withdraw her troops from China and cease warfare. Also contrast Japan's frequent declarations that she has no territorial ambitions vis-à-vis China with her refusal to submit Manchuria and other Sino-Japanese questions before a conference of Treaty Powers. Also contrast Japan's acts at Shanghai causing an immense destruction of property of all nationals and loss of lives with her statement that she has acted at Shanghai only to protect the lives and property. Also contrast Japan's latest statement that she has acted at Shanghai in cooperation with other foreign defense forces and foreign municipal authorities with the latest statement of the Shanghai Foreign Municipal Council that: "The Japanese Government and not the Municipal

Council is solely responsible for acts of the Japanese armed forces in Shanghai".

The Chinese Government positively denies that the Chinese have violated the temporary truce arranged on January the 29th. Because of the suddenness of the armistice it was not possible to get orders to all outposts resulting during the night in desultory firing between the outposts of both sides. The Japanese command resumed attacks at daybreak on January the 30th.

Since Japan's astounding action at Mukden in last September it has been the unswerving policy of the Chinese Government to avoid by all means at its command to an outright state of war and to that end endured intense humiliation, risked its own existence in the face of popular feeling in the hope that world wide pacific measures might check Japan's reckless course. Despite the failure so far of pacific agencies the Chinese Government adheres to its faith in world justice but cannot passively submit to Japan's invasion into China's territory and the slaughter of Chinese people and therefore solemnly declares to the world that she will continue to resist in self-defense against Japan's attacks at all points and with all forces at its command.

The Chinese Government further declares that it is China's desire to settle the issues in connection with the present crisis in purview of interested Powers and in accordance with the principles guaranteeing the world peace and the sovereignty, independence, and territorial and administrative integrity of China.

793.94/4157 : Telegram

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

SHANGHAI, February 13, 1932—9 a.m.
[Received February 13—7 a.m.]

42. Following from Mayer for Military Attaché:

Troops in Shanghai: American marines, 1,700; Army 1,200; British Army, 3,200; French Army, 1,700; Italian Army, 160; Shanghai volunteer force, 2,100; Japanese estimated Navy troops, 6,000; Army, 4,000 under Major Generals Doita and Shimamoto; Chinese 60th, 61st and 78th Divisions plus detachments from First and Second National Guard Divisions totaling about 35,000. Japanese Army operating against Woosung forts [which?] while badly battered and probably ineffective against shipping still in possession of Chinese. Morale of 19th Route Army exceedingly high. Air fighting greatly exaggerated; no planes here yet. Reliable sources predict landing of 20,000 additional Japanese troops including 9th Division about February 13th and 14th.

JOHNSON

793.94/4159 : Telegram

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

SHANGHAI, February 13, 1932—1 p.m.
[Received February 13—5:20 a.m.]

43. Department's February 4, 2 p. m. concerning sale by American and British oil companies of aviation gasoline to Chinese military.

This Consulate General has decided after careful consideration not to request American companies to refrain from selling gasoline to either Chinese or Japanese. The Japanese can easily obtain gasoline from Japan, buying it from the same companies which sell it here and a refusal to sell to either side in Shanghai would in reality constitute outright discrimination against the Chinese. Furthermore, a refusal on the part of American companies to sell gasoline to the Chinese authorities would undoubtedly have serious repercussions on the business of the companies up country. Unless, therefore, future developments disclose more cogent objections to the sale of aviation gasoline, I do not propose to request American companies to refrain from its sale. Minister Johnson concurs in the views of this Consulate General.

The British Consulate General referred the matter to British Foreign Office and on February 8th informed this Consulate General that Foreign Office instructed that it would be advisable not to sell aviation gasoline to either Chinese or Japanese. British Consulate General thereupon requested Asiatic Petroleum Company not to sell to either side and company agreed to act accordingly.

I informed British Consul General yesterday of the decision of this office, and it is possible that he may now again refer the matter to the higher British authorities.

Admiral Taylor has been informed.

CUNNINGHAM

793.94/4227

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck)

[WASHINGTON,] February 13, 1932.

I have spoken to the British Ambassador and have informed him of the information contained in Shanghai's 43, February 13, 1 p.m.; also that we think that the position taken by the American Consul General at Shanghai is the correct one and that we are telegraphing the Consul General approving the position taken by him.

The British Ambassador stated that he had received subsequent to

our conversation of February 3 (4?) no further information on the matter.

I stated that it was obvious that the decision reached by the British Consul General and that reached by the American Consul General were opposites; that we regretted this, as we had instructed our Consul General to confer with the British Consul General and try to arrange for the same course to be taken by both.

The Ambassador said that he also regretted it, but it looked as though the American Consul General's decision were sound. He thanked me for informing him and said he would inform his Government.

S[TANLEY] K. H[ORNBECK]

793.94/4160 : Telegram

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

TOKYO, February 13, 1932—1 p.m.
[Received February 13—5:15 a.m.]

65. From various sources I have heard that Minister of War Araki, the leader of what might be called the "ultra military faction", has been conservative to an extent that his former followers feel he is now no longer supporting them.

This conservative attitude is attributed in part to the influence of Minister of Finance Takahashi who has pointed out that Japan is headed directly for financial ruin if the operations in China continue. There is also a large conservative element in the community who make no secret of their concern over the present policies, and their influence is all for peace.

Baron Kato has again urged upon me the importance of patience and inactivity on our part for the present, in the belief that the conservative elements, in the absence of outside pressure, are forming to assert themselves. Popular sentiment, once the war psychology has passed, will be in favor of peaceable methods.

FORBES

793.94/4189 : Telegram

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

SHANGHAI, February 13, 1932—2 p.m.
[Received February 14—6:46 a.m.]

1. I have the following estimate to make of the situation of Shanghai.

2. Area known as Chapei, which has grown up around terminal of the Shanghai-Nanking Railway, is surrounded southeast and west by the International Settlement. North Szechuan Road which bounds it on the east connects the Settlement with Hongkew Park, a Settlement public park.

3. This area has been the object of difficulty between Settlement and Chinese authorities because elements in the Settlement have long wished to add it to area of Settlement. Perhaps a third of the property in Chapei is foreign [owned].

4. Chapei is where most of the young nationally minded Chinese have gone to live. They have taken pride in it, built the mills and factories there, have their own electric power plant and their own water. Cantonese predominate.

5. Chapei and North Szechuan Road have been areas where Japanese have settled and prior to January 28th perhaps most of Japanese refugees from up country and Japanese unemployed lived there.

6. There is reason to suspect that Japanese people ambitious to acquire Chapei and North Szechuan Road area as a Japanese concession, although Japanese authorities deny this.

7. In the beginning Settlement opinion may have been favorable to such a move by Japanese.

8. From their experience in Manchuria, Japanese evidently were convinced that they would make short and swift work of the move.

9. Declaration of emergency as of 4 p. m. on afternoon the 28th not only shows Japan sought for opportunity as North Szechuan Road projecting like a tongue into Chapei and policed by Settlement police was assigned to the patrols of their landing party under defense scheme put into effect by declaration of existence of emergency.

10. Japanese Navy was anxious to perform a deed of heroism in emulation of Army activities in Manchuria.

11. Chinese, unlike situation in Manchuria, had had an opportunity to prepare. They had plenty of cover in streets of Chapei which was unexplored field for Japanese marines.

12. Over-confident Japanese met with a severe defeat and their defeat continues 16 days after initial attack.

13. Japanese armed civilian volunteers were guilty of all manner of excesses before they were finally removed from field of action. Their work was paralleled by that of Chinese gunmen.

14. Having been checked in their advance Japanese turned loose everything they had and began systematic destruction of Chapei by aerial bombs, cannonade and incendiarism. This is still going on

with increasing vigor and Japanese have gained little beyond the destruction of an enormous amount of valuable property, Chinese and foreign.

15. Every day situation has become worse for Japanese who have suffered a wound to their pride from which they cannot soon recover. According to our views, prestige in Asia is at stake, their position as a world power is even at stake.

16. Japanese are now making preparations on a very large scale to batter away here at Shanghai until they have driven Chinese forces from the field.

17. Chinese 19th Army which is composed of Cantonese has made a great name for itself. It has defeated a foreign force, they are heroes of the Cantonese political faction and of nationalistically minded youth who have fostered the anti-Japanese movement, they are heroes of the purest patriotism China has so far known.

18. Other Chinese political factions which have counseled conversation and passiveness are jealous of prestige which it and its political Cantonese adherents are achieving but are forced to support it with men and money.

19. Question is, can the Cantonese troops now retire without loss of prestige?

20. Chinese leaders, including leaders of the Army, foresee inevitableness of defeat and are anxious to receive advice. They dare not act on their own initiative.

21. It is dangerous for foreigners to advise lest they will be held responsible for odium attached to retirement of Chinese.

JOHNSON

793.94/4155 : Telegram

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

SHANGHAI, February 13, 1932—2 p.m.
[Received February 13—5:20 a.m.]

44. My telegram No. 37, February 12, 3 p. m. Notwithstanding assurance given Admiral Taylor I am informed by telephone by Colonel Hooker that Japanese bombing planes numbers 342 and 343 passed over American sector three times about 9 o'clock today.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4155 : Telegram

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

WASHINGTON, February 13, 1932—1 p.m.

21. Your 44, February 13, 2 p. m., and Department's 15, February 11, 6 p. m.

Have you made any further protest?

In view of the fact that previous protests have been made by our naval authorities and replied to by Japanese naval authorities only and have apparently related to the American sector only, Department suggests that you protest, as authorized, in specific and broad terms as outlined in Department's 15,[34] and further suggests that you endeavor to do this jointly or in concurrence with your British colleague. Please inform Department if and when action taken.

STIMSON

793.94/4164 : Telegram

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

SHANGHAI, February 13, 1932—4 p.m.
[Received February 13—10:45 a.m.]

45. Continuing my daily report No. 40 of February 12, 6 p. m.

1. So far the situation both along the Chapei sector and along the Woosung front remains unchanged. Last night a heavy bombardment of the Chinese lines took place during the early part of the evening. Early this morning Japanese planes in reconnoitring the Chinese artillery positions dropped about eight bombs.

2. I was informed by the Japanese Consulate General that Japanese troops are on the way from Japan. Five transports are scheduled to arrive tomorrow or Monday with seven transports to follow. Some of these troops are to be landed at the Nippon Yusen Kaisha Wayside Wharf in the International Settlement. It is estimated that this force will number anywhere from ten to fifteen thousand.

3. I have been reliably informed that out of 33,000 Japanese who were in Shanghai at the beginning of the trouble some 20,000 have left for Japan and other parts.

4. Generally speaking during the past 16 days Shanghai residents in the foreign areas have never experienced such a tense period intermittently broken by the crash of artillery fire and the detonation of aerial bombs. While residents in the Settlement and the French Con-

[34] Dated February 11, 6 p.m., p. 293.

cession are in comparative safety, it cannot be denied that many shells have fallen within the Settlement. Outside the immediate Settlement boundaries American residents living in the areas controlled by the Chinese under its command are being treated with every consideration. It is in striking contrast to the situation that existed in 1925 and '27.

5. It was recognized from the beginning that the danger to the foreign administered areas was due to the Sino-Japanese conflict . . . Two unsuccessful attempts have been made locally to arrange peace between the Chinese and Japanese, but this conflict still continues to be a very serious menace to the Settlement. Except that the Japanese have landed reenforcements near Woosung and have augmented their military, naval and aerial forces, there has been very little change in the last 16 days in the situation which threatens the Settlement. The Chinese military are constantly being reenforced and their entrenchments are being strengthened but no one can furnish any reasonably accurate estimate of the Chinese troops in the vicinity. These reenforcements by each side are by no means reassuring to the Settlement, as the more strong the resistance the more determined the offensive. The Settlement Defense Committee realizes that their work is most difficult but they are awaiting [developments?] which all fear are inevitable. Local foreign officials are directing their efforts towards the defense of the Settlement and their nationals. While refugees are crowding into the Settlement it is also true that with the arrival of Chinese New Year and the consequent closing down of factories and shops thousands of laborers have proceeded to their country homes throughout this and adjacent provinces. This has acted as a safety valve in what otherwise might have eventually developed into a serious labor crisis. This latter factor is an element which has not previously entered into the troubles in the Settlement. Ordinarily it would be regarded as a serious matter by employers.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4164 : Telegram

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

WASHINGTON, February 13, 1932—2 p.m.

22. Your 45, February 13, 4 p. m. I have just received this telegram.

Referring to paragraph 2, I desire that you endeavor at once to enlist the support of your British and French colleagues in joint or concurrent protest against the proposed landing of any of these troops in the International Settlement.[35]

STIMSON

793.94/4167 : Telegram

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

SHANGHAI, February 13, 1932—7 p.m.
[Received February 13—11:55 a.m.]

46. 1. Japanese Consulate General informs me that Japanese troops are arriving tonight and tomorrow and will land tomorrow at Nippon Yusen Kaisha Wayside Wharf within the Settlement.

2. Following is statement given to the Chairman [of] Municipal Council by the Japanese Consulate General this afternoon.

(1st) The Japanese military forces in principle will not be quartered within the Settlement if possible, but immediately after their arrival here, part of these troops will be compelled to be billeted in some sections of the Settlement for the time being. Japanese residences and Japanese-owned buildings located in the Settlement area to the north of the Wayside Wharf will be used for that purpose.

(2d) During the period these military units are being billeted in the Settlement it is necessary for them (*a*) to have sentries posted at the entrance of their quarters, (*b*) to make patrols go their rounds in order to maintain military discipline, (*c*) to take self-defensive steps as may be necessitated by circumstances, in case Chinese snipers or armed plain-clothes men are on the rampage.

(3d) The points above mentioned are hereby notified to the Settlement authorities for their information in advance. In the meantime the Japanese military authorities wish to declare that they have no intention whatsoever either to interfere with or to obstruct the functioning of the Municipal police, but that on the contrary, they are "to cooperate with the Municipal police authorities in such cases where the searching or arresting of Chinese armed plain-clothes men or snipers is needed."

Repeated Legation, Tokyo and Nanking.

CUNNINGHAM

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[35] For the Consul General's action, see his telegram No. 48, February 14, noon, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 192. For the Japanese reply, see telegram No. 92, February 21, 11 a.m., *ibid.*, p. 198.

793.94/4132 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 13, 1932—2 p.m.

13. Your 18, February 11, 7 p. m., first two paragraphs, and Department's No. 12, February 12, 4 p. m., paragraph 1.

Please inform Drummond orally that, while we wish to do all we properly can to be helpful, as stated in the Department's telegram under reference, it appears to us, upon consideration, that we do not have available any essential facts relating to the Shanghai situation which are not also available to the League's Shanghai Committee, with which our representative is fully cooperating; and that it seems to us that the reports of the Shanghai Committee and other materials available to the League from member governments should afford all the factual data needed for the Council's present consideration of the questions involved under the Covenant.

For your confidential information and, in your discretion, for guarded comment to Drummond, we have a feeling that the Shanghai report,[36] as communicated to us, is easily open to controversial attack as to details, but that the really outstanding and essential facts regarding what has occurred and is occurring at and around Shanghai, especially as to military operations and methods, are matters of general and common knowledge, adequately known to all governments and to the Council, and not controvertible.

STIMSON

793.94/4179 : Telegram

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

SHANGHAI, February 13, 1932—8 p.m.
[Received February 14—5:20 a.m.]

Your February 12, 5 p. m., to Shanghai. I and British Minister are conferring daily and canvassing probabilities here for cessation of hostilities. We both believe that both sides are ready to take advantage of an opportunity to lay down arms at Shanghai. Chinese are apparently willing to withdraw voluntarily provided Japanese will not enter territory from which they have withdrawn. Japanese are apparently prepared to withdraw their forces to lines as of December 31, 1931, if Chinese will withdraw. Question now of getting them together which we will try to do in order that proposals will come from

[36] First report, dated February 6, 1932, printed in League of Nations, *Official Journal*, March 1932, p. 374.

participants and not us. We are both anxious not to be saddled with responsibility of settlement.

JOHNSON

793.94/4168 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 13, 1932—10 p. m.
[Received February 13—8:27 p. m.]

20. Your 11, February 12, 2 p. m.[37] I delivered draft to Simon this morning who told me that it was this matter which had determined him to proceed home at once in order to discuss it with the Cabinet.

He asked me if I had heard of the discussion at the meeting of the Twelve last Friday. When I replied in the affirmative he stated that he desired that there should be no mistake as to our attitude; he was leaving for London; he was sending a private letter to the members of the Council; he showed me the text which follows:

I feel that it is my duty to my colleagues on the Council of the League, in view of the announcement made to them by the representative of the British Government on February 2d, to inform them that according to my information the *démarche* of the four powers to which he referred has not produced the results which were hoped for and that there are not, so far as I know, negotiations now actually going on to which the United States are a party. We may be sure, however, that the United States have not ceased to take interest in the grave and menacing situation which exists and are still desirous of cooperating for peace. Inasmuch as the British Minister to China has just reached Shanghai, I am personally in hopes that news of some further efforts, when the moment is opportune, may reach us. The British Minister now in Shanghai informs me that he is keeping in close touch with his United States colleagues. Yours very cordially, John Simon.

I have conveyed to Drummond the gist of your 12, February 12, 4 p. m. In general the attitude of the states members of the Council is confused and it is hard to foretell what action, if any, they may reach.

Regarding the Chinese appeal to call an Assembly, newspapermen report that there is speculation in the Secretariat whether the Assembly should not call a special commission to consider this matter and invite the United States to sit thereon, such a commission having the same relation to the Assembly as the League commissions which function normally during September. This idea has not yet assumed such form that it is necessary to consider it seriously.

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[37] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 80.

The second report of the Shanghai Commission[38] is now being decoded in the Secretariat.

WILSON

793.94/4567

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

No. 492 TOKYO, February 13, 1932.
[Received March 4.]

SIR: I have the honor to report that recent Japanese naval (and military) action at Shanghai would seem to differ radically in certain aspects from the Japanese military action in Manchuria since September 18th and that this difference appears to be reflected in the attitude of the Japanese public.

For some days following reports of Sino-Japanese fighting at Shanghai, many Japanese and foreigners at Tokyo were apprehensive that the Japanese navy had embarked on an ambitious offensive in China Proper comparable in scale to and perhaps imitative of the comprehensive strategy of the Japanese military in Manchuria. It is not unnatural that the combination of lack of adequate information and the recent example of the Japanese military in Manchuria should create the fear that the navy had been infected by the military's enthusiasm for conquest, despite the fact that it had always been regarded as the more tactful of the two. With recent comprehension that the civil government can be disregarded with impunity, the fear was not uncommon that the Navy, perhaps instigated by the ambitious army, would not stop short of aggression which might precipitate an international conflict. The appointment of Prince Fushimi, of the Imperial Family,—following closely the appointment of Prince Kanin as Chief of the Army General Staff—seemed to give another reason for such fear.

Within the last few days, however, apprehension seems distinctly to have lessened. The feeling seems to be that the Navy has not "broken loose", as did the army; that the navy was more or less forced upon its present course of action by insistence on the part of the Japanese civilian population at Shanghai, supported—some think—by important traders of the Osaka district who have been gravely affected by the boycott. It is more widely felt now that the real object of the navy has been the separation of Chinese officials from this boycott movement

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[38] For text of report, dated February 12, see League of Nations, *Official Journal*, March 1932, p. 379.

and an improvement of the situation of Japanese residents in the Shanghai area. If there are other aims, resembling in character those of the army in Manchuria, they are not yet evident here. There is apparently no parallel in the navy to the usurpation of control in the army by junior officers; naval affairs, it is believed, are directed by those officers invested with the right of direction of operations. The first fear that the action of the navy resulted from pressure brought to bear upon it by the army seems now to have been dissipated. The appointment of Prince Fushimi as Chief of the Navy General Staff may have had no more significance than preparation for possible eventualities which might arise but for which the navy did not plot, whereas the appointment of Prince Kanin seems to have been in preparation for eventualities which the army was determined to effect, the first of these having been the occupation of Chinchow.

There are a number of reasons why the action of the Navy at Shanghai has not aroused as widespread enthusiasm as the Manchurian adventure did and has seemed to create misgiving in a larger section of the Japanese public. The peculiar traditional attitude of the Japanese toward Manchuria as of vital economic importance to Japan's very existence does not extend to China Proper. A growing realization of the financial obligations, which military action in Manchuria has entailed, may have brought quicker realization to a part of the public that the Shanghai situation is adding to the financial burden. The Manchurian affair evoked in a large section of the public a pleasant dream of empire which is absent from the Shanghai incident. Belief in any permanent success in China Proper—other than what may affect Japanese residents there and trade—is much less widespread in the present instance. The initial absence of understanding of the reasons for the naval action at Shanghai, as well as some realization of possible international implications, may also have had its effect. A clearer understanding seems to have been largely brought about by the official explanation published in the press on February 8th, a copy of which is enclosed.[39]

The editorials of the press reflect the comparative lack of enthusiasm on the part of the public. For a period of ten days, from February third, only eighteen editorials on the subject of the Shanghai situation have appeared in the fifty editions published during that time by the five leading Japanese Tokyo dailies. One third of this number appeared in the Tokyo *Asahi*, which may be due to the fact that this paper is under the same management as the Osaka *Asahi*, a large part

[39] For text, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 186.

of whose readers are vitally interested in trade with China. The tone of the editorials is more moderate than might have been expected.

Brief résumés of these editorials were transmitted to the Department in my telegrams Nos. 38, 40, 45, 52, and 60.[40]

Respectfully yours, W. CAMERON FORBES

793.94/4904

Memorandum by the Minister in China (Johnson)[41]

SHANGHAI, February 13, 1932.

I went to see Dr. Wellington Koo this evening at his request. He asked me what results had come from my conversations with various people. I told him that I had talked with a number of people and that it was my belief that both sides wished to avoid hostilities. He said that that was true so far as the Chinese were concerned. I said that I had had a conversation with Mr. Shigemitsu about this matter and he asked me what Mr. Shigemitsu's ideas were. I told him that Mr. Shigemitsu had said that the Japanese had no desire to occupy territory, that they were prepared to withdraw their troops provided the Chinese withdrew theirs.

Dr. Koo stated that if that was the Japanese attitude he thought that it could be possible to arrange. He said that in this matter the 19th Route Army had two points to consider. One, the distance to which they should retire, which in their opinion should be a reasonable one, to be expressed in terms of meters rather than in miles. The second point was the question of assurance for they needed assurance that the Japanese would not occupy the ground evacuated by the Chinese. He said that the Chinese felt in this matter that they were making a defensive fight. The Japanese were the invaders and that it was hardly fair to the Chinese to ask them to yield in everything.

I said that I sympathized with the Chinese point of view but that my only interest in the matter was discovering whether there might be any way in which we could avoid further sacrifice of life and property in the densely populated and industrial area of Chapei. I asked Dr. Koo whether he had any objection to my conveying his suggestions to Mr. Shigemitsu and he said no.

N[ELSON] T. J[OHNSON]

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[40] None printed.

[41] Copy transmitted to the Department by the Minister in his despatch of March 2, 1932; received March 26.

793.94/4188 : Telegram

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

SHANGHAI, February 14, 1932—10 a.m.
[Received 11:30 a.m.]

In a conversation yesterday Wellington Koo expressed personal desire to sound us out as to possibility of a meeting of representatives of the interested powers to settle the Shanghai question and at the same time to work out an agenda for a conference of all interested powers on all questions affecting the Far East to stabilize the situation and ensure peace in the Far East. His idea is a conference that would cover all questions outstanding, including Manchuria. He wondered whether all avenues of approach, along lines of powers' proposals of February 2nd, have been eliminated, specifically whether the United States has dropped all effort along that line.

JOHNSON

793.94/4180 : Telegram

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

SHANGHAI, February 14, 1932—11 a.m.
[Received February 14—5:07 a.m.]

47. Department's February 11, 5 p.m.[41a] The safety of American nationals and the Settlement would best be conserved for the moment by the complete withdrawal of the Japanese forces. Their presence is one of the serious provocations that threatens the Settlement which is the haven for foreigners. To attempt to secure this withdrawal would be both impossible and impracticable. The present Japanese force could not advance without military reenforcements. The Chinese military are not out of control but acknowledge no authority, national, other than their commanders. The Chinese Army is continually being reenforced and also is strengthening its defense entanglements. . . . During the conflict the Settlement must suffer much loss of property and possibly life. I realize that the foregoing is an unsatisfactory comment but it presents the case as clearly as I am able to do.

2. I am informed by the Japanese Consul General that there are no Japanese civilians outside the limits of the defense force, that is the Settlement and the tongue.

Repeated to Peiping, copy to Minister.

CUNNINGHAM

[41a] Not printed.

793.94/4187 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 14, 1932—11 a.m.
[Received February 14—7:57 a.m.]

21. I shall deliver the message contained in your number 13, February 13, 2 p. m., tomorrow morning, Monday.

In this connection we had thought you might care to consider the advisability of allowing Drummond to make a request for information from us, and to reply with a memorandum for the information of the Council giving the history of the negotiations which you initiated in collaboration with the British Government. Not only would this furnish Drummond with information regarding the only gap in Foochow [*sic*] story but would also be a striking answer to the persistent stories which are being put about as to our failure to cooperate with the Council.

WILSON

793.94116/3 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 14, 1932—3 p.m.
[Received February 14—1:15 p.m.]

83. At the request of Chinese delegate, Secretary General is circulating the following communication dated February 11, signed Hope Simpson.

"I protest in the name of humanity against Japanese air bombardment of flood refugee camp over 8,000 refugees February 5th when a woman and boy killed, four wounded and several hospital patients died of fright. Same camp again bombarded February 6th. Contained few hundred only, majority sick in hospital and aged and infirm people. Forty-eight found dead after bombardment. Camp evacuated, bombarded again next day. This Japanese action wanton, inhuman and from military standpoint useless.

Note. Sir John Hope Simpson was appointed Director General of the National Flood Relief Commission following a request presented by the Chinese Government to the Council of the League of Nations for the designation of a prominent expert with League experience in the Near East. See League Document C 624. 1931."

GILBERT

793.94/4186 : Telegram

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

SHANGHAI, February 14, 1932—6 p.m.
[Received February 14—10:25 a.m.]

50. Continuing my daily report number 45 of February 13, 4 p. m.

1. In keeping with the day the situation[s] along both the Chapei and Woosung fronts have remained comparatively quiet. Twelve thousand Japanese troops reported to have landed at the N.Y.K. Wayside Wharf in the International Settlement.

Repeated to Legation, repeated to Nanking.

CUNNINGHAM

124.941/1025 : Telegram

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

TOKYO, February 14, 1932—9 p.m.
[Received February 14—11:20 a.m.]

66. The formal opening of the Embassy yesterday was attended by over 700 guests. Largely attended by prominent Japanese including imperial princes and princesses among whom were Prince and Princess Chichibu and Takamatsu, also by Minister of War, Navy and Foreign Office.

British, French, German, and Italian Ambassadors agreed with me that the situation would be best served by quiescent attitude of our Governments for the present. Understand they are cabling in this sense. Have been requested to call at the Foreign Office tomorrow (Monday) afternoon.

FORBES

793.94/4192 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 15, 1932—noon.
[Received February 14—5:30 p.m.]

Your 23, February 6, 8 p.m. Following is my translation of a note from the Minister of Foreign Affairs to the American Minister dated February 14th and received February 14, 11 p. m., excluding introduction which quotes the note of February 10th from the American Minister:

"However, according to reports which have been received on the morning of February 14, ten thousand and more Japanese troops

landed on various wharves in the International Settlement and another large contingent of Japanese troops will arrive on February 15. This is unmistakable evidence that the Japanese Government regards slightingly sincere representations made by Your Excellency's Government and that International Settlement is still affording protection to the Japanese forces and permits them to use Settlement as a base of operations for the launching of attacks on Chinese forces. The Chinese Government, therefore, again asserts with the utmost earnestness that if the Japanese troops at Shanghai continue their attacks on Chinese-controlled territory and, if through properly conducted defense measures taken by the Chinese troops against such attacks, life and property in the International Settlement receive injury, the Chinese Government will accept no responsibility of any sort in connection therewith. I have the honor to state that a communication has likewise been addressed to the British Minister and I take this opportunity to lodge a decided protest and to request that Your Excellency, on the basis of the serious attention given by Your Excellency's Government in this matter and with reference to the repeated communications from this Ministry already referred to, will with all speed put an end to the use of the International Settlement by the Japanese troops as a base of operations for attacks on Chinese forces, as well as forbid the Japanese forces to effect landings on wharves in the International Settlement, in order to lend emphasis to the assurance given by Your Excellency. I hope that I may receive the favor of a reply. (Signed) Lo Wen-kan. (seal of the Ministry of Foreign Affairs)."

Translator's note: The assurance referred to was contained in the last sentence of the note of the American Minister of February 10, which sentence read[s] as follows:

"I have the honor to assure Your Excellency that the matter forming the subject of your communications under reply is receiving continuous and solicitous consideration from the American Government, together with the other interested Governments."

Repeated to Shanghai and the Legation.

PECK

893.11/1438 : Telegram

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

SHANGHAI, February 15, 1932—1 p.m.
[Received February 15—6:15 a.m.]

51. In view of the possibility that increased Japanese landing forces at or near Shanghai may cause a retreat of Chinese forces to the west and north of their present positions I have this morning advised Americans at Soochow, Wusih, Changchow and Changshu to with-

draw to places of greater safety preferably Shanghai. Advice was telephoned to Soochow to be relayed to other places by telephone or telegraph. Yesterday I telegraphed to Kiangyin advising that American women and children leave.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4193 : Telegram

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

PEIPING, February 15, 1932—1 p.m.
[Received February 15—6:45 a.m.]

225. Following from American Consul General at Shanghai:

"February 14, 7 p. m. Following from Mayer for Military Attaché:

['']The Japanese unloading nine transports February 15th. Estimate total Japanese Army here February 15th will be 20,000. Only light artillery unloaded so far. Believe units to be 9th Division and balance of 12th part of which has been operating against Woosung. Japanese land aeroplanes consist of 9 pursuit and 18 bombers. Woosung Creek crossed and forts should be captured soon.'"

For the Minister:
PERKINS

793.94/4190 : Telegram

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

SHANGHAI, February 15, 1932—2 p.m.
[Received February 15—6:14 a.m.]

52. The stubborn resistance of the Chinese military has been a matter of great surprise to many local residents. I have learned from a source which is believed to be entirely trustworthy that there are three German ex-Army officers, wearing civilian clothes, continually at the front directing the Chinese plans. These officers are military experts and direct the operations and plans of the aviation, infantry and engineering branches. The aviation plans are made by Bloedhorn, infantry by Schaumburg and the engineering by Weber. These men are at the front in the vicinity of Shanghai but rarely visit the Settlement, carry no arms and wear no uniforms. I am told that a Swiss by name of Wahllen is attached to the Cantonese forces but is not believed to be in Shanghai.

Not repeated to the Legation.

CUNNINGHAM

793.94/4194 : Telegram

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

SHANGHAI, February 15, 1932—2 p.m.
[Received February 15—9:10 a.m.]

Four Japanese transports arrived this morning, two full of troops and two with heavy material. They passed Woosung under protection of 16 Japanese destroyers firing on forts. Forts still in hands of Chinese replying to bombardment feebly. Planes bombing forts since 8 a. m. Japanese meeting resistance between Woosung Creek and forts. Rumor that Japanese will begin advance through Chapei tomorrow.

JOHNSON

793.94 Commission/105 : Telegram

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

SHANGHAI, February 15, 1932—4 p.m.
[Received February 15—1:25 p.m.]

54. My telegram No. 17, February 8, 6 p.m. I have concurred in second report of League of Nations Shanghai Committee issued February 12th.[42] Second report covers events up to and including February 3rd and states that since that date a state of open warfare exists, any pretense of truce being abandoned. It states

"The offensive is entirely in the hands of the Japanese, whose avowed object is to capture Woosung forts and drive all Chinese troops a considerable distance from Shanghai."

2. I regard the findings of the Committee with respect to Japanese activities inside the Japanese sector as most important. With reference thereto the report states, *inter alia*,

"The Japanese naval authorities took complete control of the Hongkew district inside the Settlement, barricading streets, disarming police, and overthrew all other municipal activities of the Settlement authorities including the fire brigade. Police posts were prevented from communication with their headquarters. The Shanghai Municipal Council was forced to evacuate schools and hospitals. Numerous excesses including summary executions were committed by marines, reserves and irregulars, the last mentioned who had no official standing being actuated probably by a mere spirit of revenge against the Chinese for earlier anti-Japanese activities. A reign of terror resulted and almost the entire non-Japanese population of the area ran away."

Repeated to the Legation and Nanking and Tokyo for information.

CUNNINGHAM

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[42] League of Nations, *Official Journal*, March 1932, p. 379.

793.94/4200 : Telegram

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

SHANGHAI, February 15, 1932—5 p.m.
[Received February 15—10:05 a.m.]

55. Your telegram No. 21, February 13, 1 p. m. On February 13th Senior Consul sent the following communication to Japanese Consul General:

"I have the honor to refer to my communication dated February 8th concerning the danger to life and property in the International Settlement occasioned by the flight of Japanese military airplanes. My colleagues desire that I supplement these representations by citing an occurrence in the American sector on February 11th.

According to information received from a reliable source, at about 9:40 a. m. on February 11th Japanese airplanes used machine guns to fire on Chinese emplacements north of Soochow Creek, such firing being at about 45 degrees from position within the American sector. From the same source it is learned that at 10:35 a. m. on February 11th two Japanese planes flew over the American sector from south to north, dropping a bomb which struck the wing on cotton mill at number 55 Markham Road killing 5 and wounding 15 Chinese and doing much material damage. As you are positively aware this mill is within the American sector. In it are billeted United States marines none of whom were hurt.

It is in view of these two occurrences that I am desired by my colleagues strongly to renew the representations made in my letter of February 8th and to express their earnest hope that the Japanese naval and military authorities will refrain from all flights of military airplanes over the International Settlement in the future."

In view of the foregoing I am of the opinion that no further protest at this time is desirous.

CUNNINGHAM

793.94/4159 : Telegram

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

WASHINGTON, February 15, 1932—11 a.m.

29. For the confidential information and guidance of the Minister and the Consul General.

Your 43, February 13, 1 p. m., in regard to aviation gasoline.

Department approves your position in the matter.

Department emphasizes again, however, the desirability of cooperating with your British colleague in reference to all such matters and

endeavoring to work out with him, where practicable and possible, a common course.

STIMSON

793.94/4192½

Memorandum of Trans-Atlantic Telephone Conversation[43]

SIR JOHN: Hello, Mr. Stimson, this is Sir John speaking from London.

SECRETARY: Hello, Sir John.

SIR JOHN: I saw the Prime Minister this morning. I sent him your document[44] and he studied it. As I told you when I spoke last with you we want to keep step by step with you all the time.

SECRETARY: This document was intended merely to indicate to you how our minds were working on this Nine-Power Pact.

SIR JOHN: I want to say this first. I am going to see the Prime Minister again this afternoon, after this first talk, with several others of our Cabinet and I rang you up tonight to learn your present view so that I might, if you agreed, have another talk with you later in the day because we want to report to you our own view after we have heard your view.

SECRETARY: Yes.

SIR JOHN: There is just this I might say at once. We are quite resolved to go hand in hand with you if you take this step but we rather think that the best hope will be for us to get the League of Nations to take a similar sort of step at about the same time.

SECRETARY: Yes.

SIR JOHN: Because that will make a world statement.

SECRETARY: Yes.

SIR JOHN: This is how we feel about it at the moment. Would you like to tell me your present state of mind?

SECRETARY: I would like to know first, if I may, when you say this step——you are speaking now of the lines which we suggested in this paper which I sent you.

SIR JOHN: Yes. Recalling the nature of the international obligations as time goes on and putting on record that we will not accept changes which are brought about in defiance of those obligations.

SECRETARY: This is precisely what I wanted to know. That is what the President and I and all my staff here think that it is very im-

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[43] Between Mr. Stimson in Washington and Sir John Simon in London, February 15, 1932, 11 a.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

[44] The draft quoted in telegram No. 11, February 12, 1932, 2 p.m., to the Minister in Switzerland, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 80.

portant that such a notice should be given that we do not accept these changes. The President feels very strongly that that is a significant advance in the international situation made by our new peace treaties. That it is, in other words, one of the best things that we can do in the absence of force. Do you see?

SIR JOHN: That is right.

SECRETARY: And he regards it, that particular point, namely, the giving notice that we shall not accept in the future changes which come from a violation of that treaty or of the treaties in question, the two treaties in this case.

SIR JOHN: The Nine-Power Treaty and the Kellogg Pact.

SECRETARY: He thinks that is of great importance.

SIR JOHN: Might I break in here? I can take the same line as a member of the League under Article X. Article X says that every member of the League undertakes to preserve against external aggression the territorial integrity and existing political independence of all other members of the League. So in the same way we can say that it is our friendly right to direct attention to that Article, and the territorial integrity or no change in the political independence of any member of the League, ought to be recognized as valid and effectual by the League of Nations.

SECRETARY: That would not prevent you from taking the same position under the Nine-Power Pact and the Pact of Paris.

SIR JOHN: The Council of the League has something such as I suggested to you—it is side by side with what you are saying.

SECRETARY: But you can also join with what we are saying.

SIR JOHN: That is what I would like to do if it is about the same time.

SECRETARY: I see, but what I mean is your protest or declaration will be based upon the same legal treaties that ours will.

SIR JOHN: Exactly.

SECRETARY: However, you will, either in your paper or in another one which you execute with the League, take the additional position in regard to Article X.

SIR JOHN: That is the idea.

SECRETARY: I see no objection to that.

SIR JOHN: Whether or not we actually join you in your declaration or press on the members of the League to make a League declaration won't matter so much as long as we do it together.

SECRETARY: So long as in your declaration you also cover the Nine-Power Treaty.

SIR JOHN: I don't mind doing that at all.

SECRETARY: Well, may I just say one thing. I think that my own first reaction to this is that it would be better for you to join in the two separate actions taken at the same time.

SIR JOHN: To do both.

SECRETARY: To do both, provided we do it at the same time.

SIR JOHN: I will discuss that with my colleagues later in the day.

SECRETARY: I think there is a great advantage in having you side by side with us as well as side by side with the League.

SIR JOHN: The only thing I have to be careful of is I must not seem to desert the Council of the League, but I don't mind doing it so far as I am concerned.

SECRETARY: That is exactly what I am driving at and on my part I don't mind holding back a little while in order to give you time to get the League in action with us.

SIR JOHN: That is what I was going to say next. Of course, I have to see what my colleagues have to say about it.

SECRETARY: Yes.

SIR JOHN: I will go back to Geneva quite soon to try and get this done if our general arrangements were agreed.

SECRETARY: The only danger that I see is in the length of time that it might take to get it through the League.

SIR JOHN: I don't think it would take very long after I got there. It is very probable that we could get something done this week.

SECRETARY: You think you could?

SIR JOHN: I think I could, yes.

SECRETARY: Well, I think it is very important.

SIR JOHN: So do I because my information is, since the landing of these additional troops in the Settlement, the situation is distinctly hard.

SECRETARY: It has hardened here in that respect and I was going to speak to you about that. I was going to suggest an additional point to the declaration which we made and of which I send you a draft. I was going to suggest that we might insert in that in addition to the general interest in [*sic*] which we all have in the Nine-Power Pact and the Pact of Paris which is set out in the present paper. We might add a paragraph showing how we have a special interest which is being violated at the present time as a result of the violation of the other two treaties, namely, the war measures which have been produced during the present Shanghai trouble has [*have*] resulted in bringing into danger all our special rights and interests in the International Settlement by the fact that that has been used as a base.

SIR JOHN: There is one point I would like you, if you will, to keep just a little open because I am not sure that we think the method is quite the same as you do.

SECRETARY: I am ready to keep an open mind on that.

SIR JOHN: This is the point on which I should like you to reserve

your judgment a bit. We want to produce the maximum influence on Japan to get the best results. Some of my colleagues think we might produce very great results if we direct ourselves to the Shanghai and Yangtze Valley question but if we tie this all up with Manchuria we shall get no satisfaction in Shanghai because of the view of Japan about Manchuria. I am not overlooking Manchuria as we have made protests to Japan the same as you, only in a different way, but if we want to produce the best results quickly in Shanghai, is it not [*sic*] a good plan to tell them that it depends on Manchuria?

SECRETARY: I didn't intend to tell them that. What I wanted to do was to take a position which would not waive Manchuria. I don't think we ought to allow ourselves to get into a position which would give anybody the right to say that we had accepted the Japanese contention that Manchuria was entirely different from the Nine-Power Treaty.

SIR JOHN: American [*America?*] has already made reservations about that and I have already spoken to the Japanese Ambassador in the same sense. I suggest making the present document one which deals especially with the developments which have followed not excepting the other, but especially directed to the Shanghai situation.

SECRETARY: All I can say is that I will approach with a perfectly fair and open mind whatever you want to suggest on that.

SIR JOHN: I see. We have been in touch with Atherton. Will you send to him any revised draft?

SECRETARY: Not yet, I wanted your reaction on that.

SIR JOHN: I will see the Prime Minister and my colleagues in about an hour's time. When may I ring up again conveniently for you? How many hours from now? Would it be convenient if I rang you up two hours and a quarter from now, about 6:30?

SECRETARY: I will make it convenient, it will be 1:30 here.

SIR JOHN: I will ring you up and tell you what is the result of our consultation and if you think it a good plan, I am quite prepared to try to arrange to go back to Geneva say on Wednesday and get hold of these people and try to carry something on by the end of the week.

SECRETARY: The only things that occur to me are these that I would like you to consider. These people are on the brink, the possible brink, of a big battle.

SIR JOHN: That is a good reason for getting it out quickly.

SECRETARY: Yes, that battle is going to be fought from the International Settlement as a base.

SIR JOHN: I am afraid so.

SECRETARY: And if there is, there will be a great possibility of trouble both during the battle and in the after effects. Do you think that our legal position as to protest is sufficiently clear now?

SIR JOHN: I don't quite get that.

SECRETARY: I mean that protests have been made. I am just thinking aloud. Now we have made a protest in Shanghai, several of them,[45] and a long time ago in the very beginning you made a protest in Tokyo and we followed it up.

SIR JOHN: Three times.

SECRETARY: Yes, three times. I think that so far as the legal point is concerned it is clear, but there is no doubt that they have greatly accentuated the situation by their disregard of our protests since. They have been as flagrantly violative of our rights as they very well could be.

SIR JOHN: They have not paid the slightest attention to them. But I feel with you that there is going to be more trouble and perhaps fighting and if we made our protest with the League of Nations and yourself we ought to do it pretty quickly.

SECRETARY: Well, the only thing that came into my mind while we were speaking was this. You are going to delay for four or five days before anything is done. I wondered whether the situation might not be helped if a joint protest might be made on the subject of the Settlement as a base by the four powers interested there.

SIR JOHN: I am thoroughly prepared, if you like, to go into this.

SECRETARY: I don't want to press it myself but I would like to have it considered and I don't want to take the initiative if it requires much initiative on the part of this country.

SIR JOHN: We have made protests countless times so it would merely be in the nature of a repetition but I am not disagreeing.

SECRETARY: I suggest you talk that over with your colleagues and report to me two hours from now what you think.

SIR JOHN: What do you think you will do—do you think you will send a revised copy of your document to Atherton?

SECRETARY: Suppose you send me your views. Take my draft and make a draft of your own upon the lines that you now think and send it to me.

SIR JOHN: Shall I send it to Mr. Atherton and have him send it to you?

SECRETARY: Either through him or through your Ambassador here.

SIR JOHN: I am extremely pleased that we are in such good touch. The Prime Minister from his bed this morning sent you a message to say how much he appreciated your last letter. He is feeling better but will have to take three weeks complete holiday.

SECRETARY: Atherton told me about that, and I was very much

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[45] For latest protest, see telegram No. 48, February 14, 1932, noon, from the Consul General at Shanghai, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 192.

worried. I am glad to have him have the holiday but I wanted him to feel all right.

SIR JOHN: If you would like to speak to Atherton, he is here at my side.

SECRETARY: No, that is all right. Is it understood then that you will make a draft indicating your present ideas?

SIR JOHN: That is right, and if we have any comments you will hear the results. If we can get the League of Nations to do the same, I will let you know.

SECRETARY: You will start this draft before you go away to Geneva Wednesday?

SIR JOHN: Oh, yes.

SECRETARY: Because I think we ought to work very fast and I hope —let me say this in all the confidence of the telephone—that your draft won't be too damned friendly.

793.94/4203 : Telegram

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

SHANGHAI, February 15, 1932—6 p.m.
[Received February 15—12:55 p.m.]

56. Continuing my daily report number 50, February 14, 6 p. m.

1. The situation along both sectors remains quiet. Shanghai awaits in fear and trembling the beginning of the major Japanese drive to force the Chinese back from Shanghai. This is expected some time during the next few days. Intermittent artillery, machine-gun and rifle fire continues on both fronts. It is now learned for the first time that on the 13th a small contingent of Japanese troops pushed across the Woosung Creek but were forced to retreat on account of deadly fire of Chinese defenders. Shells continue to fall in the Settlement areas.

2. As reported yesterday a force of Japanese troops landed at Wayside. They appeared to be fully equipped and among their accoutrements were 5 large and 10 small tanks. This morning Lieutenant General Uyeda of the 9th Division called on me.

3. Fresh beef continues to be scarce in Shanghai. Otherwise there is a plentiful supply of foodstuffs on hand. Beef is on the way from other ports which will relieve this shortage.

Repeated to the Legation for information.

CUNNINGHAM

793.94/4144½

Memorandum of Trans-Atlantic Telephone Conversation[46]

SECRETARY: Hello, Sir John.

SIR JOHN: I am sorry you are being kept from your lunch. I have had my conversation, since we spoke last, with the Prime Minister in his sick room with three or four of my other colleagues. We are all of one mind—that we want to take the course which will be in accordance with your country's general scheme and we think that we shall probably have to do it in the way I told you, in connection with the League of Nations, and I am prepared to go over to Geneva to get the whole thing in shape as quickly as possible. I have some comments to make on your first draft and I propose to give them to Atherton if you agree and he will transmit them to you. Will that be all right?

SECRETARY: Yes, that will be all right. May I say something after you get through in general on what you told me this morning?

SIR JOHN: It will probably take some hours to get these suggestions through to Mr. Atherton, but you will get them in the course of eight or nine hours. Meanwhile, we have been preparing something to suggest to the League at Geneva, putting it in the same way as yours exactly. It brings in the Nine-Power Pact and the Kellogg Pact and the whole thing. We wanted to say two things to you. You will find that one of our suggestions to you is not at all to give up the reference to Manchuria but not to put it in in the way you do because we think that the representations which have been laid down should be made immediately under Shanghai and the International Settlement. We don't want to give up the other part but we don't want to put it in the forefront. The other thing is this. I don't know how your information stands but we here are very much concerned to see that the tone and the substance of our communications enlarged the area of fighting rather than stopped it. Because we have to ask ourselves the answer to our representations, it is very unpleasant. No doubt you are thinking of the same thing.

SECRETARY: I was thinking on that point. My note was not addressed primarily to Japan, it was addressed to the other members of the Nine-Power group.

SIR JOHN: Which would include Japan.

SECRETARY: Which would include Japan, but it was for the purpose of serving a notice as to the future rather than getting any immediate reply.

SIR JOHN: Quite so, we agree with you about that. That is the

[46] Between Mr. Stimson in Washington and Sir John Simon in London, February 15, 1932, 1:30 p.m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

scheme we have in mind. I will let Atherton have one or two suggestions of ours. I will give him also an outline of what I have proposed for Geneva and after our conference on Wednesday morning, I will start for Geneva at once and I will be able to get a definite conclusion there quite quickly.

SECRETARY: I think, if I understand you clearly, that is all right, except I want to say something now if you are through. What I wanted particularly to say to you while I have you here is this. I should feel very badly if you did not accept the broad statements as to the policy of the Nine-Power Treaty which I put in primarily for the purpose of an appeal to China.

SIR JOHN: I follow you entirely, Mr. Stimson, about that.

SECRETARY: There are these dangers that we must look out for. If we served a declaration which did not, at least by implication, cover the full scope of the Nine-Power Pact and, therefore, the Manchurian issue, every journalist in the world would at once, the next morning, say that Britain and America had yielded the Manchurian issue to Japan.

SIR JOHN: I don't mean to do that.

SECRETARY: I could not accept that. We should also lose the moral issue in it and we should arouse the nationalists to probable aggression against foreigners in China. There is a very real direct cash value to all of us in the policy towards China which I endeavored to put out in the introductory two or three articles in that representation.

SIR JOHN: That part of it we liked very much.

SECRETARY: I mean, if on the real issue that is presented by Japanese action, she says that you are too idealistic and we have to take a different attitude towards China—If we do that we lose the faith which China, to this point, has shown in us and that would imperil our own people in China and would do us unmeasured harm in the future, so that is what I am primarily fighting for. Then, in the next place, I wanted to say this. I think any arrangement of the way in which we submitted notes which did not present a united front of Britain and America at least, and, if possible, the other members of the four powers standing together on the Nine-Power Treaty, would lose great force in China. We cannot disguise the fact, though I very greatly regret it, that the League does not inspire fear at present in the Japanese. Japan is much more afraid of a union between you and us than she is of the whole League.

SIR JOHN: I quite see that. That is why I wanted whatever we do to use much the same language in the declarations.

SECRETARY: I am doing my best to support the League. I have no prejudice against it but every prejudice for it, but I am trying, at the same time, to save the immense momentum that goes with an action between Britain and America on this subject.

SIR JOHN: Yes, but we are very anxious about what the outcome of all this may be. Did you get a message from your Ambassador in Tokyo a few days ago that we had which said that the Ambassadors there all held a strong opinion that several representations would be most unwise.

SECRETARY: Yes, I have received that and it did not make the impression it would have made on me two months ago. I don't think they really know, as well as we do, what Japan is really doing.

SIR JOHN: I only wanted to know if you had it. We got a message from our Ambassador saying that the Italian, German and French were all of that opinion.

SECRETARY: Yes, I have had the same message and I have had it in mind most carefully, but I have also weighed it in comparison with information which I get elsewhere and I have compared it with the record of similar prophecies made in the past and which have been uniformly disappointing.

SIR JOHN: Yes, it is that no doubt.

SECRETARY: I followed that for some four months. Now, I think what you tell me is very satisfactory.

SIR JOHN: It is the best we can do at the moment. Tomorrow morning I will give to Atherton one or two suggestions on your document. I am not decided whether we can actually join you on the same piece of paper or not. We should like to do so and it would be much more effective no doubt as you say, but, on the other hand, I must remember the position of the Council of the League and I must go back there and do my best to get them to work on a similar line and we will speak again before I go. It ought to be possible to carry the thing through, as we both wish it, at any rate by Friday.

SECRETARY: I do not see how the League can as a League make a protest on the Nine-Power Treaty and I think there has got to be a separate piece of paper, in other words, you have a separate duty to perform as a signatory of the Nine-Power Treaty and the Pact of Paris, than you have on the League Covenant.

SIR JOHN: I will mention it to the Prime Minister, because several of us here think that if we could be parties to both documents, it would be the best way.

SECRETARY: I think you should because otherwise it will lose all the force.

SIR JOHN: But I warn you we should lean against the modifications of the way some of your suggestions are put.

SECRETARY: All right, let me see them, and I will be very open minded on them. I do not see how the League of Nations can make a protest on the Nine-Power Treaty and, to a less extent, I don't see how

it can do it on the Pact of Paris. Now, it is on those two treaties we are making new and very encouraging progress. We think that we are implementing those treaties by what we did in our January 7th note and, if the other powers now do that, we think it will be a long step forward in making effective progress in this entire group of peace treaties. I don't see how the League can take that step at all and I really think that is the vital point of the whole situation. I think you will have to sign two papers. I think it is very vital.

SIR JOHN: I told you about the other powers to the Nine-Power Treaty because I shall be seeing some of them actually in Geneva.

SECRETARY: That will be very helpful. Let me ask you about one more thing. Did you make any progress in regard to a note on the present situation of the International Settlement?

SIR JOHN: We think you ought to include it in your document, as well as the principal grounds, for an immediate restoration. It is intimately connected there. That is the situation.

SECRETARY: In addition to that—that is true—I think that should be included too—but there is this. There will be a delay in your final action on both of these matters until you make your trip to Geneva and, in the meanwhile, this battle will be fought.

SIR JOHN: I will send suggestions on your document before I start for Geneva anyway.

SECRETARY: Well then, we cannot expect to have that ready or to do anything against it until you have also rounded up the League.

SIR JOHN: I can do that in twenty-four hours.

SECRETARY: I had this in mind. I wanted to get this across to you although it is a minor matter. The protests which have been made heretofore have all been verbal protests. They have not had any publicity and also we have not made the claim that I think we are entitled to make of pointing out to Japan by using the International Settlement as a base causes damage either directly or by provoking Chinese firing. I think she is making herself liable for the damages to every person of the International Settlement who is injured or who loses property. That would be out of place.

SIR JOHN: The powers who are interested in the International Settlement might make at once a separate representation on that thought.

SECRETARY: That is exactly my point and that subject would be out of place in our general note, as it is on a higher plane. We should at once protest calling their attention to the damage.

SIR JOHN: To those who are members of the International Settlement by the firing that she is provoking from the Chinese and by the firing she is doing herself.

SECRETARY: Of course, we have got to look at it with the problem of 1927 in mind when your forces, as well as ours, were sent there to

protect the International Settlement. We will say that she is doing something like that now. Of course, it isn't really the same. What I mean, Sir John, is that some time or other we are going to have a big arbitration case over those damages and I think we ought to lay the foundation for that now.

SIR JOHN: I am quite prepared to help you. Do you mean to draft something about that?

SECRETARY: I am just drafting that now. I can telegraph it to you tonight.[47] In an hour or two probably.

SIR JOHN: You will hear from me tomorrow.

SECRETARY: Good-bye.

793.94/4264

Memorandum by the Secretary of State

[Extract]

[WASHINGTON,] February 15, 1932.

The French Ambassador brought me a résumé of some telegrams which he has received from his own Government during the last two days, as follows:

[Résumé not printed.]

After the Ambassador read me these communications I reminded him of his suggestion the other day about a new protest to the Japanese Government against the use of the Settlement for a base of operations against the Chinese, by the Japanese. I told him I had considered that and thought it was a good suggestion and that we were proposing to make such a protest and that we were intending to include in the protest a warning that we would hold the Japanese Government liable for any damages that should arise from such use. I handed him a draft of such a proposed protest that we are sending and I requested him to communicate with his Government and suggest that they send a similar protest. I told the Ambassador I had already made the suggestion to the British this afternoon through the Foreign Minister with whom I talked over the telephone and that Mr. Castle was making the same suggestion to the Italians through the Italian Ambassador. He read the draft protest and said he thought it was a very good one and that he personally was very strongly in favor of it and would communicate it to his Government.

H[ENRY] L. S[TIMSON]

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[47] For text of memorandum, see telegram No. 56, February 15, 6 p.m., to the Ambassador in Japan, p. 346.

793.94/4210 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 15, 1932—9 p.m.
[Received February 15—4:45 p.m.]

22. A meeting of the Twelve will be held tomorrow morning to discuss a declaration proposed by the Secretary General which is called an appeal to Japan but which is more vigorous in tone than this appellation would indicate.[48]

After this discussion the Twelve will, if time permits, decide on China's demand for the summoning of the Assembly.

WILSON

793.94/4218 : Telegram

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

WASHINGTON, February 15, 1932—5 p. m.

55. Your 66, February 14, 9 p. m., second paragraph.

1. Both the British and the Italian Ambassadors here have reported to me that the five ambassadors in Tokyo concur in the view which you report as being held by the five.

It is my impression that, although ambassadors in Tokyo are in best position to know what is occurring in Japan, their information with regard to what is occurring elsewhere, especially at Shanghai, and with regard to the problems which have to be faced by their governments in relation to that situation, is necessarily limited and perhaps in some particulars far from accurate.

2. I should like to have, in support of the view under reference, a full exposition of the factors on which there is based the conclusion that the situation would be best served by a quiescent attitude of the various foreign governments for the present.

STIMSON

793.94/4219a : Telegram

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

WASHINGTON, February 15, 1932—6 p.m.

56. The news from Shanghai as to the imminence of major operations on the part of the Japanese with the inevitable consequent danger to the International Settlement seems to me to make it necessary more

[48] With reference to this paragraph, the Secretary of State replied in telegram No. 15, February 15, 7 p.m., "This information is noted here with gratification."

formally to protest as to the use of the Settlement as a base. I have taken the matter up with the British, French and Italian Governments and hope they may authorize their Ambassadors to make at the same time identical or similar protests. I do not wish to wait until all three have been authorized to protest, but please keep in touch with the British Ambassador and when he receives instructions from his Government arrange to deliver the following memorandum at about the same time that he delivers a similar memorandum. I intend to give the text of the memorandum to the press as soon as I know that you have delivered it. Please, therefore, telegraph urgently when you have done it, also whether your French and Italian colleagues are taking similar action.

"Memorandum. The American Government, since the recent outbreak of armed encounters between Chinese and Japanese military forces at Shanghai, has viewed developments in the situation with grave concern and anxiety. The American Government has been particularly disconcerted by reports and evidence that the International Settlement is being used as a base or channel in connection with military operations between Chinese and Japanese armed forces.

In the opinion of the American Government, the use by either of the disputants of any part of the Settlement, for purposes in any way related to military operations other than such as relate strictly and exclusively to the protection of the Settlement, constitutes a violation of the purpose, the rights and the obligations of the Settlement and operates to expose the Settlement as a whole to the risks and dangers necessarily incident to such military operations. The Settlement has an international character. It appears axiomatic that no one nation has the right so to use its own rights and position in and with respect to the Settlement as to jeopardize the lives and property of the inhabitants and imperil the rights and interests of the Settlement as a whole and of other nations there concerned.

The American Government is emphatic in its opinion that the International Settlement should in no way be involved in the conflict between China and Japan. The American Government protests most solemnly and earnestly against any use whatever of any part of the Settlement as a base or channel in connection with military operations. The American Government gives notice that it will hold the Japanese Government responsible for any losses or damage done by its armed forces or agencies thereof to the persons or property of nationals of the American Government."

STIMSON

793.94/4208f : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, February 15, 1932—6 p.m.

62. In pursuance of a project discussed between Sir John Simon and myself in telephone conversation this afternoon, I request that

you submit immediately to Sir John the text which follows. State that it is my idea that this declaration should be made very promptly in Tokyo. The American Ambassador will be instructed to make it as soon as he hears that the British Ambassador has been authorized by his Government to make the same or a similar declaration. I have also spoken to the French and Italian Ambassadors in Washington, who are telegraphing their Governments suggesting that their Ambassadors also deliver similar texts at the same time. I should be grateful if Sir John should also urge on them that this be done. It is my idea that, after the memorandum has been delivered in Tokyo, it be given to the press. Please ask Sir John for an immediate reply.

You may state that my latest information, just received, is to the effect that Shanghai is awaiting in fear and trembling the beginning of a major Japanese drive which they expect within the next few days.

[Here follows text of memorandum quoted in telegram No. 56, February 15, 6 p. m., to the Ambassador in Japan, *supra*.]

STIMSON

793.94/4192½

Memorandum by the Secretary of State[49]

Atherton said that he had just been told by Sir John Simon that the latter had received a telegram from Geneva stating that several members of the Council of the League of Nations were calling a meeting of the Council for tomorrow morning, Tuesday, to draft an appeal to Japan to exercise forbearance and restraint towards a fellow-member of the League of Nations and to point out that China had from the very first left her case in the hands of the League; and finally to invoke Article X of the League Covenant against any infringement on the territory of China and to point out to Japan that any settlement made contrary to the treaties applying to the situation would not be recognized by the League of Nations.

Sir John Simon sent word that this was the first he had heard of this. It came to him entirely as a surprise, and he wanted to know whether I had any suggestion. Sir John said that this meeting at Geneva was to take place tomorrow at eleven, Geneva time. He, himself, did not think that this action by the League would interfere with the draft which we are considering of our action under the Nine Power Treaty at all.

[49] Of trans-Atlantic telephone conversation between Mr. Stimson in Washington and Mr. Atherton in London, February 15, 1932, 7 p.m.

Then Atherton went on to tell me what the situation was in the British Cabinet in regard to our draft. The British Government were ready to urge the League to make this protest and to take this action. It was also ready to agree to sign the Nine Power paper provided that all the other signatories of the Nine Power Treaty would take the same action. There are members in the Cabinet who rather opposed signing the paper bilaterally, with England and America alone. Sir John Simon thought that this action by the League would encourage the others of the nine powers to go into the movement with us on our draft.

I told Atherton in answer to Sir John's inquiry that I saw no objection to this action by the League; that on the contrary they were following our program and seemed to me to be offering encouragement to it. Simon had told Atherton that he was going to Geneva at once. after he had had a Cabinet Meeting here on the subject, with the purpose of trying to round up the members of the Nine Power Treaty to go into this action with us. He was going over, as I understood it over the telephone, on Wednesday, reaching Geneva Thursday. I told Atherton that, of course, the important thing to us was whether Great Britain would go in with us separately on our paper; that it would not meet our difficulty if she simply went in with the League action under Article X; that I did not see how the League could act on the Nine Power Treaty, as the League was not a party. I, therefore, felt that it was extremely important that Great Britain, whatever she did with the League, should also sign their representation with us.

793.94/4904

Memorandum by the Minister in China (Johnson) of a Conversation With Dr. V. K. Wellington Koo[50]

SHANGHAI, February 15, 1932.

Dr. Koo came to see me this morning and asked me whether I had seen Mr. Shigemitsu. I told him that I had but that I had been discouraged by Mr. Shigemitsu's attitude. I said that I inferred from what Mr. Shigemitsu told me that the meeting would have to be between Mr. Shigemitsu and the head of the 19th Route Army and in Mr. Shigemitsu's house or his office. I said that I hesitated to communicate any suggestions to him as to how and where they should meet. I merely desired to communicate what I had inferred from my conversation. Dr. Koo listened to what I had to say and intimated that it would be rather difficult to persuade the Chinese to accept such

[50] Copy transmitted to the Department by the Minister in China in his despatch of March 2, 1932; received March 26.

a proposal. They did not feel that they were seeking terms and he did not believe that he could persuade his people to take that attitude. I told Dr. Koo that I was somewhat discouraged but he said that perhaps some way might be found.

N[ELSON] T. J[OHNSON]

793.94/4211 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 16, 1932—9 a.m.
[Received February 16—6:58 a.m.]

67. I have this morning sent Sir John Simon the text of the memorandum contained in your 62, February 15, 6 p. m., and before his engagements of the day, taken opportunity to discuss the contents thereof on the telephone.

For the purposes of confirmation I have just [sent?] Sir John the following note repeated herewith:

"As a result of our telephone conversation this morning I understand: (1) that instructions will be going out to Sir Francis Lindley at an early moment to present similar, if not an identic, memorandum to the Tokyo Government at the same time as his American colleague; (2) that you will take early opportunity to offer suggestions to the Paris and Rome Governments that their respective Ambassadors should deliver similar texts at the same time; (3) that, as to the British Government's attitude in making public the text of this memorandum after it has been delivered to the Tokyo Government, you will advise me later in the day."

ATHERTON

893.101 Harbin/13 : Telegram

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

PEIPING, February 16, 1932—1 p.m.
[Received February 16—6:20 a.m.]

235. Following from American Consul General at Harbin:

"February 15, 4 p.m.

1. Chang Ching-hui on February 8th, new Mayor Pao Kuan-chen on the 10th, and General Ma on the 14th gave elaborate banquets at Harbin for the Japanese command, the Japanese Consul General and local Chinese officials. Pao desired to invite, but did not, the other consuls, as I intimated that this might cause a misunderstanding. Chinese railway officials, but not Soviet, will give a banquet this evening to the Japanese military officers. It is evident that the local Chinese military and civil officials have succumbed to the Japanese.

2. Ohashi left this morning for a month's stay in Tokyo, leaving me as Senior Consul. Dohihara is dominating the situation here. Through his and Ohashi's efforts long-disputed land question at Harbin has been settled satisfactorily to the Japanese and incidentally to those landholders that have extraterritorial rights.

3. Local press reports that Ma, Tsang Shih-yi of Mukden, Chang Ching-hui, Hsi Chia and other leaders will meet at Changchun on February 21st to discuss general Manchurian and Mongolian Government, which might be proclaimed on the following day."

For the Minister:
PERKINS

793.94/4234 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 16, 1932—2 p.m.
[Received February 16—1:05 p.m.]

23. Following is Sweetser's memorandum of private meeting of Twelve this morning:

"Lord Londonderry, at the close of today's meeting of the Twelve called to consider an appeal to Japan to desist from military action at Shanghai, surprised his colleagues by unexpectedly stating that he wished at this afternoon's meeting to propose a final paragraph which would recall the terms of article No. 10 of the Covenant by which Japan as well as other members of the League agree to respect and preserve as against external aggression the territorial integrity of all other member states. His draft went on to say that it was the friendly right of the members of the Council to call Japan's attention to the article and to point out that no change in political independence or territorial integrity could be recognized by the League which was brought about contrary to that article. While no formal discussion took place at the moment the members of the Council seemed very much in accord with the suggestion, some stating privately that it gave a real purpose to the declaration and put the Council in a good position before world opinion and before the anticipated assembly. Discussion of this text together with the final drafting of the general appeal will take place at a further meeting this afternoon.

Boncour opened today's meeting with the reading of Simon's letter (see Wilson's 20, February 13, 10 p. m.). Drummond said that since the Council's last meeting the second Shanghai report had been received. The Council had not yet expressed an opinion on the two reports. There were two questions to decide (1st) as to whether the Council would express an opinion on these reports under article 15 of the Covenant and (2d) as to what action the Council would take regarding China's request for a special Assembly. Should the Council decide to express an opinion on the Shanghai reports he suggested that it should do so before convoking the Assembly as otherwise its right to do so would pass to that body. He accordingly suggested that

no decision as to the convocation of the Assembly be taken until Thursday in order to give the members of the Council chance to study the reports and decide upon their policy. As this necessarily involved delay he suggested some immediate action be taken entirely apart from the opinion. The Twelve might address to Japan an appeal of which subsequently he submitted a draft. He thought this might have certain results as there seemed to be a strong movement developing in Japan against the Shanghai action. Public opinion there seemed to differentiate sharply between Shanghai and Manchuria and he thought it might be very useful to get a statement to Sato the same day.

Londonderry thought this procedure was right as regards both the convocation of the Assembly and the communication to Japan. He wondered, however, if it were necessary to press the matter so urgently and issue the appeal today, perhaps the Council might wait 2 or 3 days, say until Thursday.[51]

The members of the Council were all against delay. A detailed discussion ensued on the actual text which Drummond described and the members of the Council accepted as an appeal to the better nature of Japan and to the liberal elements there."

Will telegraph again tonight.

WILSON

393.11/1436 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, February 16, 1932—4 p.m.
[Received February 16—7:10 a.m.]

52. In view of the probability that disturbance Shanghai-Nanking Railway zone as a result of the present hostilities at Shanghai I have again today advised that American women and children and such men as can be spared evacuate from Chinkiang and Chaotou [?]. Shanghai has already advised all Americans at Soochow and Wusih to evacuate. United States ship *Bulmer* is at Chinkiang to assist Americans evacuating from or through that port.

PECK

793.94/4208½

Memorandum of Trans-Atlantic Telephone Conversation[52]

MR. ATHERTON: Hello, Mr. Secretary.

SECRETARY: Good-morning, Ray.

MR. ATHERTON: Since I telegraphed you this morning giving the

[51] February 18.

[52] Between Mr. Stimson in Washington and Mr. Atherton in London, February 16, 1932, 1 p.m.

summary of our telephone understanding with Sir John, the tenor has considerably changed here. I have just come from the Foreign Office where Vansittart has now been informed not to present another declaration to Tokyo, as suggested in your message last night on the International Settlement. He explained the situation had changed during the day and that the League protest was probably being made tonight and would be followed up by the United States proclamation some time later in the week. Vansittart pointed out that as reported to you in my telegram No. 59 [53] the British Government has already protested three times against the use of the International Settlement and a similar protest was made last week making four altogether. For these reasons, Vansittart, who had just come from a conference with Sir John, said the British Government deems it inexpedient to present this memorandum especially since it might take away from the League protest which is being made tonight, and the United States protest which will be made at the end of the week and it might be more expedient to prolong until next week or later reference about the damage in the International Settlement when some serious event seemed inevitable or had already occurred.

SECRETARY: Well, the difficulty is that he didn't say so yesterday and, in the meanwhile, we have talked with the French and Italians.

MR. ATHERTON: There have been a great many deliberations going on in London and my personal feeling today is if we get all the signatories of the Nine-Power Pact to agree to the draft of the Nine-Power proclamation she will join us, otherwise she will content herself with participation in the League appeal which goes forward tonight and then, if the United States takes independent action on the Nine-Power Pact ——

SECRETARY: I think she has let us down. You can tell him so.

MR. ATHERTON: I think we have reached a change of thought on this memorandum.

SECRETARY: In what way?

MR. ATHERTON: There is quite a different tenor here but I think the other thing is just my own personal opinion that I have of the situation here tonight. I only give you that as my own personal interpretation, Sir.

SECRETARY: Yes. You can tell them that I shall very likely not submit any other note if they go ahead with the League.

MR. ATHERTON: I have received and I am cabling to you now Sir John's suggestions on the draft of the Nine-Power proclamation. I shall cable that tonight, sir, and you will get it in the course of the evening I expect.

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[53] February 10, 6 p.m., p. 269.

SECRETARY: Are they making very serious changes? I shall not consider them very seriously if they are not going to join in them with us.

MR. ATHERTON: I think there is a very strong feeling here that in this proclamation it would be much easier to get it through and agreed to if they left out specific reference to Manchuria and only dealt with the question that we had already drawn up—the question of Manchuria in our note of January 7—and centered this note specifically on the present Shanghai incident.

SECRETARY: I told Sir John yesterday that I would not be satisfied unless the note, by implication at least, covered all of China and the full Nine-Power Pact which would mean Manchuria. We were willing to tone down any specific allusion, but if it was left out altogether it would at once provoke a very adverse reaction in the press to the effect that we had given up Manchuria. Do you see?

MR. ATHERTON: Yes, quite. This feeling on this particular point was that by reference to your note of January 7th you could, by implication at least, include Manchuria.

SECRETARY: Well, that leaves out part of the important part of the argument.

MR. ATHERTON: Yes, Sir. I only submit that as his idea. Now, Mr. Secretary, this is the final paragraph of the League appeal which is being considered tonight.

SECRETARY: Will you read it?

MR. ATHERTON: Very well, Sir. Paragraph VI. Finally, we recall the terms of Article 10 of the Covenant by which Japan, no less than every other member of the League, has undertaken to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League. It is our friendly right to direct attention to this provision, particularly as it appears to us to follow that no invasion of the territorial integrity and no change in the political independence of any member of the League brought about in disregard of this article ought to be recognized as valid and effectual by members of the League of Nations. That is the end, Sir.

SECRETARY: Yes, I get that. On what do you base what you tell me now about the very important point that they are going to require all of the members of the Nine-Power Treaty to take part in it before they go in—I mean last night you said some of the Cabinet were thinking of that. Have they had a meeting of the Cabinet this morning?

MR. ATHERTON: I don't know whether they have or not. There will be two appeals going in this week; the League appeal going in tonight and the United States appeal going in later in the week. Now, in his mind, he gave me the impression that those were two separate

appeals that were going in, Great Britain joining in the League and we in the other. That bears out the inference I had yesterday that Sir John would not make up his mind on the question of the Nine-Power Pact first, until he had a Cabinet meeting and second, until he had gone to Geneva and found out who was willing to join in the Nine-Power Pact. There have been deliberations of various sorts going on here today and I think the situation remains here for the moment in that status.

SECRETARY: Last night you told me substantially that he thought by going to Geneva he could get most of the Nine-Powers to go in on that.

MR. ATHERTON: Yes, Sir, I still think he can do that.

SECRETARY: It is rather a vital point whether he would require all of the other nations of the Nine-Power Pact because that would give a veto power to any one.

MR. ATHERTON: I still feel that is the question at issue.

SECRETARY: It is not yet settled.

MR. ATHERTON: My own impression is that they would demand certain countries to join.

SECRETARY: Yes, I am very much obliged to you. Just let me ask you another question. What is the nature of the changes that are coming in this telegram?

MR. ATHERTON: I have them right here, shall I read them?

SECRETARY: Well yes. Read them to me quickly.

MR. ATHERTON: Paragraph IV ——

SECRETARY: He makes no changes in I, II or III?

MR. ATHERTON: No, the objections begin in Paragraph IV. In paragraph IV the British Government ventures to depreciate the prominent position given to the Manchurian aspect of the matter on the following grounds:——

SECRETARY: There is no mention of Manchuria in paragraph IV as I have it. He may mean Paragraph V or he may mean Paragraph III.

MR. ATHERTON: No, just let me explain. In Paragraph IV he says that is the first objection and if this view is adopted paragraph III would need to be recast.

SECRETARY: Read Paragraph IV again.

MR. ATHERTON: The British Government ventures to depreciate the prominent position given to the Manchurian aspect of the matter on the following grounds.

SECRETARY: Well, probably instead of four he means five because four on my paper does not even mention Manchuria.

MR. ATHERTON: He is probably numbering the paragraphs according to his own system.

SECRETARY: I don't know what that system is. Read rapidly to me what he says about four.

MR. ATHERTON: [Here follows quotation by Mr. Atherton of Sir John Simon's observations transmitted in telegram No. 69, February 16, 7 p.m., page 360.]

SECRETARY: Are you going to see Vansittart again?

MR. ATHERTON: As you say, Sir.

SECRETARY: I would like you discreetly to get into his head that we should very seriously question the advisability of our going alone on this paper at all.

MR. ATHERTON: Yes, Sir.

SECRETARY: And that, unless they are ready to go along with us without making the conditions of other associations too difficult, it may result in a complete change of our plan. In other words, it is a pretty stiff condition to ask for everybody of the Nine-Power nations. Do you get that?

MR. ATHERTON: Yes, Sir, quite.

SECRETARY: It would mean delay and would make the thing very much less effective. On the other hand, I think it would be quite easy to get some of them. Now get that into Vansittart's head.

MR. ATHERTON: I shall get that to him right away, Sir.

793.94/4187 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 16, 1932—3 p.m.

16. Your 21, February 14, 11 a. m., second paragraph.

Upon receipt of an informal request from Drummond you may give him the following as an informal memorandum.

On January 20th, the Japanese Consul General at Shanghai presented to the Mayor certain demands. At the same time the Japanese Admiral announced that, in case the Chinese failed to give a satisfactory reply to the demands, he would take necessary measures to protect Japanese rights and interests. On the afternoon of January 28th, the Mayor accepted the Japanese demands in their entirety.

On the morning of January 28th, the Municipal Council of the International Settlement at Shanghai had declared a state of emergency, to be effective from 4 o'clock that afternoon. The defense forces of various powers began taking position in their defense areas. A Japanese force was already on garrison duty in the normal Japanese defense area. On the night of 28th, the Japanese mobilized additional forces and having given definite notice at 11 p. m., moved at

midnight from their normal defense sector westward into the Chinese district of Chapei east of the railway line. There they met resistance from Chinese troops. This clash developed into the phase of serious combat which still continues.

The course of the subsequent efforts at conciliation may be sketched briefly as follows:

Toward the end of January the American Government was informed from Nanking and Tokyo that the Chinese and the Japanese Governments respectively had asked for the good offices of the American and other Governments toward the prevention of further hostilities.

The American Government, the British, the French and the Italian Governments immediately conferred with regard to the matter. As a result, representatives of these four Governments, under instructions, on February 2d presented concurrently at Tokyo and at Nanking proposals, in five articles, for cessation of conflict.

The Chinese Government replied almost immediately, accepting the proposals in their entirety. The Japanese Government replied, on February 4th, favorably with regard to two articles (the third and fourth), somewhat inconclusively with regard to one other (the first) and in definite rejection of two (the second and fifth); and they stated that they would be willing to consider any further suggestions the powers might desire to present.

While these replies were being given consideration, officials of the Japanese Foreign Office on February 6th informed officials of the American, British and French Embassies at Tokyo that they had a project for negotiations to be initiated at Shanghai toward effecting a cessation of hostilities and the creation of a neutral zone to be patrolled by neutrals. The powers, taking this as a proposal in good faith, gave appropriate instructions to their representatives in Shanghai to expect such an initiative from the Japanese authorities and when such proposal was made to cooperate. The powers in the meantime desisted from further consideration of the Japanese reply to the proposals which they had made in tender of good offices and awaited the development of this proposal of the Japanese Government.

During the next 4 days it became apparent that the Japanese armed forces at Shanghai were being substantially augmented and there appeared no evidence that any serious effort was being made by the Japanese authorities there toward proceeding with negotiations such as had been outlined at Tokyo to the foreign ambassadors. Japanese authorities at Shanghai and at Tokyo declared that the Chinese armed forces must be withdrawn to a distance of 20 miles from Shanghai

and that fighting would be continued until they had been so withdrawn. At the same time the Japanese forces, notwithstanding protests which had been made repeatedly by several governments and by the International Municipal Council, continued to use the International Settlement in various respects as a base for their operations and to jeopardize its safety by various acts connected with those operations.

By February 11, it had become clear that the Japanese were continuing and increasing the scope of their military operations and were sending to Shanghai large bodies of troops and considerable equipment, from which it could only be concluded that they intended to make a more substantial military effort.

Under these circumstances, the American Government felt it necessary to refrain for the time being from any renewal of initiative on its part in efforts of conciliation, but informed its representatives that it would look with approval upon any impartial efforts which might be made toward bringing about a cessation of violence and prevention of further hostilities.

The American Government has throughout this period frequently communicated with other governments concerned and endeavored to make its views known to them; it has assumed that through other governments members of the League of Nations its position would be made known to the Council of the League; and it has given careful consideration to the information supplied to it regarding the views of other governments and the proceedings of the Council.

As the matter stands today, the American Government is not actively participating in any express effort on behalf of any "peace proposals" or project. Its representatives at Shanghai are cooperating with representatives of other countries in relation to the problem of maintaining the rights, fulfilling the obligations and insuring the safety of the lives and property of their nationals at Shanghai and are ready at any time, if and when so requested by the disputants, to participate in efforts to conclude arrangements whereby the hostilities there, both actual and impending, may on terms fair to both of the disputants be brought to an end. The American Government remains ready, if and when asked by the disputants to do so, again to exercise, in cooperation with other governments, good offices. It is also prepared to give solicitous consideration to any project in the nature of a peace proposal intended for possible consideration by or submission to the disputants which may be brought seriously to its attention.

STIMSON

793.94/4426

Memorandum by the Under Secretary of State (Castle) of a Conversation With the French Ambassador (Claudel)

[WASHINGTON,] February 16, 1932.

I told the Ambassador that, with regard to the suggested protest in Tokyo, we had heard from London that the British had decided, after considering the matter, that as they had already protested three or four times about the use of the Settlement as a base for military operations, they did not feel that they wished to make a still further protest. The Ambassador said that he thought the Secretary had told him that Sir John Simon had agreed to make the protest. I said this was not quite accurate, that Sir John Simon had said that he thought such a protest might be useful, but that he had not seen the text of it and that he had, therefore, not absolutely committed his Government. The Ambassador said "la nuit porte conseil". I told him that the reason I had sent for him was that the Secretary wanted him to understand that, if the French decided to make the protest, the United States would be very glad to go along with them even though the British did not join in. M. Claudel said that he would immediately telegraph this fact to his Government. He said, however, that he rather took for granted that his Government had already carried on conversations with London and that it was rather unlikely that France would make this move if the British were not going to do anything. He said, furthermore, that the present political situation in France, there not being at the moment any government,[54] would make things more difficult.

W. R. CASTLE, JR.

793.94/4427

Memorandum by the Under Secretary of State (Castle)

[WASHINGTON,] February 16, 1932.

The Italian Ambassador came to see me at my request. I explained to him that when I showed Count Marchetti the proposed protest to the Japanese yesterday we had discussed it to some extent with Sir John Simon by telephone; that we had heard today from London, however, that the British having already protested on the use of the Settlement as a base, they felt that another protest on the same subject would be useless. I told him, however, that the Secretary wanted me to make it quite clear, as long as we had suggested this protest to the Italian Government, that if the Italian Government still felt the

[54] André Tardieu formed a new government on February 21.

protest ought to be made we should be glad to go along with them. The Ambassador got this very clearly. He said that he was not surprised that the British had not been willing to make a strong protest of this kind because he had the feeling that there was a strong sentiment in London against bringing any real vigorous pressure to bear on Japan. He said that the Italians felt that the mentality of the Anglo-Japanese Alliance still remained very strong and that on such a matter as Manchuria, for example, the British had no feeling at all. On the other hand, the British felt they had good trade relations with the Japanese and that if the Japanese put in a strong control in any part of China it would not tend to destroy but rather to help British trade. I said to the Ambassador that this seemed to me a very short-sighted point of view and he agreed, but insisted that was what they were thinking about.

W. R. CASTLE, JR.

793.94/4428

Memorandum by the Under Secretary of State (Castle)

[WASHINGTON,] February 16, 1932.

The British Ambassador and I had a very long talk, merely, however, going over the contemplated steps so far as the Oriental situation was concerned. He felt very strongly that an appeal under the Nine Power Treaty, as the Secretary had outlined it to him two or three days ago, would be a very valuable move. He also read the suggested protest to the Japanese as to using the Settlement as a base and said he felt that also would be a very useful move, especially since it pointed out very clearly at the end that the Japanese would be held responsible for the destruction of property.

W. R. CASTLE, JR.

793.94/4239 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 16, 1932—7 p.m.
[Received 7:08 p.m.]

69. Following are the observations on your draft declaration offered by Sir John Simon which I read to you on the telephone this evening:

"1. In paragraph 4 the British Government ventures to depreciate the prominent position given to the Manchurian aspect of the matter on the following grounds: One of the objects of the document is to exercise the most effective restraining influence on Japan. A solemn warning in respect of Shanghai is the most potent way of doing this.

If Manchuria is put in the forefront, the result must be to harden the attitude of Japan towards the Shanghai problem also. Protests have already been made about Manchuria. The United States has already reserved its rights by a formal communication on exactly the same lines as it now proposes to do at the end of the present document, and Britain has already taken collateral action in reference to Manchuria in a different form. Manchuria is the immediate subject matter of the commission appointed by the League, to which appointment Japan has assented, and the commission is about to enter on its work on the spot. Would it not therefore be better, on every ground, instead of making Manchuria the head and front of the new representation, to base the present declaration primarily on Japan's action and declared intentions in Shanghai and elsewhere in China proper, putting aside Manchuria with the observation that this has already been dealt with and the views of the powers are on record? It seems to the British Government that this is more likely to secure some real consideration for the main thesis of the new document.

2. If this view is adopted, paragraph 3 would need to be recast. In any event it seems to His Majesty's Government that it is not so much the events in Manchuria which have produced fear of a wider conflict, so much as events connected with the International Settlement.

3. In any event would it not be well to include in paragraph 4 a specific reference to the special dangers involved in the Japanese operations at or in the neighborhood of the International Settlement? The point is a powerful one that the International Settlement is an area where many powers have equal rights. The other signatories of the Nine-Power Treaty who are concerned in the Settlement have no responsibility for the perilous situation which has arisen; the lives and property of nations which are at complete peace with China and Japan are in jeopardy; the responsibility for injury done must rest upon those who are disturbing the peace of the Settlement.

4. Paragraph 6 is strictly in line with the formal declaration which it is believed that the Council of the League is likely to make and deliver to Japan either today or tomorrow (the final paragraph of the League declaration is as follows: 'finally, we recall the terms of article 10 of the Covenant by which Japan, no less than every other member of the League, has undertaken to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League. It is our friendly right to direct attention to this provision, particularly as it appears to us to follow that no invasion of the territorial integrity and no change in the political independence of any member of the League brought about in disregard of this article ought to be recognized as valid and effectual by members of the League of Nations').

5. The above comments on the American draft are made at Mr. Stimson's request and are proffered merely as tentative criticisms. It is a matter thoroughly understood that the question whether other powers could join in the American document is still in suspense. Sir John Simon has already told Mr. Stimson how keenly the British Government wishes to keep in close cooperation with America over the whole field of the Far Eastern crisis and he is hopeful that the

adherence of the powers now at Geneva to the declaration proposed to be made by the Council of the League on Wednesday, might predispose those of them who are signatories to the Nine-Power Treaty to associate themselves with the American *démarche* also."]

ATHERTON

793.94/4236 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 16, 1932—8 p.m.
[Received February 16—5:21 p.m.]

24. Following is memorandum from Sweetser of private meeting of Twelve this afternoon:

"The Twelve approved this afternoon the text of the communication to be made to Japan. That text was given to Mr. Sato this evening with covering letter from Boncour as President of the Council for transmission to Tokyo. It will be published here probably tomorrow morning subject to any desire expressed by the Japanese.

This is the first communication that the Council has made to one party only in the dispute. The only change of substance introduced this afternoon was the inclusion of a reference to the Nine-Power Treaty suggested by the British."

See my 25, February 16, 9 p. m.

WILSON

793.94/4237 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 16, 1932—8 p.m.
[Received February 16—7:17 p.m.]

70. Referring to this afternoon's telephone conversation, I venture an explanation of the changed tenor of thought here today. I do not feel that Sir John Simon's personal views have altered since he talked with you on the telephone yesterday afternoon or since his conversation with me at dinner last evening but he is a member of a coalition government; and the members of the Cabinet, debating this question with the Prime Minister, include such varied opinion as Baldwin, Lord Hailsham, Thomas (representing Dominion interests) and Simon himself. Furthermore, I am informed Simon had an audience with the King today where the Far Eastern situation was also discussed.

I feel certain that while Simon is prepared to endeavor to fulfill any engagements he may tentatively make with you, his policy in the last instance must be agreed upon by a coalition Cabinet which

may decide to deviate from the course the Foreign Secretary proposes. I did not feel free to explain the foregoing over the telephone this evening.

Subsequent to our telephone conversation I informed Vansittart as you instructed.

ATHERTON

793.94/4238 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 16, 1932—9 p.m.
[Received February 16—6:23 p.m.]

25. You will note in my 24, February 16, 8 p. m., that though the text of the appeal has been given to the Japanese representative, publication tomorrow is not certain; therefore, release should not be made until further word from me.

Text follows:

"1. The President of the Council, on behalf of his colleagues, pointed out in an appeal addressed on January 29 to both parties that

'Good relations between states could only be secured by cooperation and mutual respect and that no permanent solution could be achieved by force whether military or merely economic and that the longer the present situation continued the wider the breach between the two peoples would become and the more difficult the solution would be with all the disasters that would mean not only to the two nations directly involved but to the world in general'.

2. The twelve members of the Council, other than the Chinese and Japanese representatives, feel constrained today to make a pressing appeal to the Government of Japan to recognize the very special responsibility for forbearance and restraint which devolves upon it in the present conflict in virtue of the position of Japan as a member of the League of Nations and a permanent member of its Council.

3. The situation which has developed in the Far East during the past months will be fully studied by the Commission appointed with the consent of both parties. But since the Commission was set up there have occurred and are still occurring events in the region of Shanghai which have intensified public anxiety throughout the world, which endanger the lives and interests of the nationals of numerous countries, add to the unexampled difficulties with which the whole world is faced during the present crisis and threaten to throw new and serious obstacles in the path of the Disarmament Conference.

4. The twelve members of the Council are far from disregarding the grievances advanced by Japan and throughout all these months have given her the full confidence which they owed to an associate of long standing who had ever been punctilious in the fulfillment of all her obligations and duties as a member of the community of nations. They cannot but regret, however, that she has not found it possible to make full use of the methods of peaceful settlement provided in the Covenant; and recall once again that the solemn undertaking of

the Pact of Paris to achieve solution of international disputes shall never be sought by other than peaceful means. The twelve members of the Council cannot but recognize that from the beginning of the conflict which is taking place on her territory, China has her case in the hands of the League and agreed to accept its proposals for a peaceful settlement.

5. The twelve members of the Council recall the terms of article 10 of the Covenant by which all members of the League have undertaken to respect and preserve the territorial integrity and existing political independence of other members. It is their friendly right to direct attention to this provision particularly as it appears to them to follow that no infringement of the territorial integrity and no change in the political independence of any member of the League brought about in disregard of this article ought to be recognized as valid and effectual by the members of the League of Nations.

6. Japan has an incalculable responsibility before the public opinion of the world to be just and restrained in her relations with China. She has already acknowledged this responsibility in most solemn terms by becoming one of the signatories to the Nine-Power Treaty of 1922 whereby the contracting powers expressly agreed to respect the sovereignty, the independence and the territorial and administrative integrity of China. The twelve members of the Council appeal to Japan's high sense of honor to recognize the obligations of her special position and of the confidence which the nations have placed in her as a partner in the organization and maintenance of peace."

WILSON

793.94/4233 : Telegram

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

TOKYO, February 16, 1932—10 a.m. [*p.m.?*]
[Received February 16—11:55 a.m.]

70. Replying to your telegram No. 55,[55] the factors are:

1st. The impending election of February 20 which creates distorted values and a condition of unusual tension and unrest, although overshadowed by public interest in military operations.

2d. The country being dominated for the moment by war psychology, protests are likely to enhance this feeling and silence any conservative element which might otherwise make itself heard. While pressure is being exerted from foreign nations it is difficult for the conservative element here in Japan without the appearance of being unpatriotic to make an effective opposition to the policies of their Government, now apparently dominated by the military clique. These conservative elements have requested patience on our part and a little time for the war psychology to die down and sane conservative policies to gain force (see my telegram 65, February 13, 1 p. m.).

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[55] February 15, 5 p.m., p. 346.

3d. There is actual danger that the military group might take advantage of the war psychology and of the fact that they are in the saddle to take some desperate step and though the chance is remote might even go so far as to plunge this country into war with a first-class power.

4th. There seems still to be a real danger of a *coup d'état* which would result practically in a military dictatorship, and careful observers believe the best chance of avoiding this is to hold off for the present any further evidence of outside pressure.

5th. The financial situation of the Japanese Government is going to be a serious problem and the cost of these military operations is sure to be embarrassing to the responsible Japanese officers.

6th. Time is a factor working in favor of the operation of all these influences.

7th. The longer the Japanese entangle themselves in the Shanghai area the more expensive and troublesome it will be. The movement has never been widely popular in Japan and is likely to become much more unpopular as it goes on. Outside influence is apt to leave heart-burning and rancor in this country and not hasten the Japanese withdrawal.

8th. It must be remembered that the Japanese regard their investment in Manchuria and the protection of interests in connection with it as essential for their economic existence and continuance as a first-class power and [Japan?] is ready to go to war in defense of this. Moreover, she regards her interests in China as of the first importance and no other country has as great an interest or as great a proportionate interest or as large a population resident in China as has Japan. The interests of other countries are not nearly so vital and hence movements that excite the Japanese people to a war frenzy have little effect in America or European countries. It is well to await the subsidence of these present excited feelings and return to normal before pursuing a policy likely only to increase the excitement.

9th. It is manifest that China is wholly unable to control her own Government, army or peoples, and it is undeniable that Japan has had just grievances and it is unfortunate that her methods of seeking redress of these have been such as to arouse the Chinese to a pitch of resentment that has brought about the present situation.

If it results in China asking assistance from other powers to reorganize her internal affairs it might offer a happy solution, but further outside pressure on Japan would not necessarily be helpful in bringing this about.

I have had frequent contacts with the Belgian Ambassador, and he agrees with the views expressed by the other four.

FORBES

644591—48——30

CHAPTER V: FEBRUARY 17–29, 1932

Japanese Ultimatum to Chinese for Armistice at Shanghai, February 18; Declaration at Mukden of "Independence" of Four Northeastern Provinces, February 18; Statement of British Policy in Far East, February 18; Representations to China and Japan Respecting Damage to International Settlement; Appeal by League Council to Japan for Extension of Ultimatum's Time Limit, February 19; Resumption of Japanese Army Attacks at Shanghai, February 20; Statement by China of Refusal To Recognize Manchurian "Independence", February 23; Release of Secretary Stimson's Letter to Senator Borah in Reaffirmation of Treaties, February 24; Representations by Powers to Japan Respecting Use of International Settlement for Military Operations; Consultations Respecting New Proposal for Peaceful Settlement of Shanghai Conflict and Submission of Proposal by League Council to China and Japan, February 29

793.94116/5 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 17, 1932—8 a.m.
[Received 8:30 a.m.]

84. Consulate's 83, February 14, 3 p.m. Following is the full text of a telegram dated February 15 received by the Japanese delegation and given to Drummond for circulation:

"On receipt of a protest from Sir John Hope Simpson against the aerial bombardment of the flood relief refugee camp on February 5th, 6th and 7th, the Japanese Consul General at once communicated with the naval authorities who asked him to express their deep regret for this incident. It was due they said to a deplorable mistake: the refugee camp was close to the entrenchments and other military works that the Chinese were constructing, which the Japanese aircraft had orders to destroy, and as the camp was also surrounded by barbed wire they dropped bombs on it. The naval authorities greatly regretted that they were not informed of the facts until February 10, several days after the bombing, as prompt representations might have prevented these distressing incidents."

GILBERT

793.94/4247 : Telegram

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

SHANGHAI, February 17, 1932—9 a.m.
[Received February 17—6 a.m.]

On February 13th the Japanese Minister called on me and I understood him to say that the Japanese forces which had just arrived would not be landed in the Settlement area. A few hours later I learned that Japanese troops were being landed within the Settlement. When I reminded Japanese Minister of his statement he wrote me a personal letter February 15th from which I quote the following:

"I regret if I gave you to understand that the landing of Japanese troops would not take place within the Settlement under any circumstances. The greater part of the Japanese forces were landing outside the Settlement area. It is my understanding that Japanese troops are coming here on the same footing as the defense forces of any other country in order to defend its own nationals' life and property."

JOHNSON

893.00/11796 : Telegram

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

PEIPING, February 17, 1932—2 p.m.
[Received February 17—6 a.m.]

238. Following from American Consul General at Mukden:

"February 16, 6 p.m. Today's press reports state that Hsi Chia from Kirin, and Chang Ching-hui from Harbin, arrived at Mukden yesterday and Ma Chan-shan here today. The long-delayed conference in regard to the denunciations [*declaration?*] of the new state is scheduled to open on the 17th or 18th and one Japanese press report makes the definite statement that the state will be declared before February 25th.

Apparently this movement is being energetically pushed by interested parties at this time and judging from appearances early developments are to be expected."

For the Minister:
PERKINS

793.94/4268 : Telegram

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

SHANGHAI, February 17, 1932—5 p.m.
[Received 7:40 p.m.]

64. Continuing my daily report 61, February 16, 6 p.m.[56]

1. Last night at 11:30 the heaviest artillery bombardment yet opened by the Japanese began in the Chapei sector and continued for some time. Since then things have been relatively quiet on all fronts. It is known that the 19th Route Army is very short of ammunition. The Japanese infantry took over the front line position in the Chapei sector from the naval landing forces yesterday afternoon. Japanese troops are reported to be advancing along the Hsiangying Road with Kiangwan as their objective.

2. Since the last report some 18 shells have fallen within the Settlement boundaries. One fell on the Shanghai-Hongkew Wharf pon-

[56] Not printed.

toon in the vicinity of Chaoufooung Road killing a Chinese female and seriously wounding two British naval guards and six Chinese.

3. An unconfirmed rumor is to the effect that neither the Japanese nor the Chinese are desirous of continuing the struggle. It is a matter of finding a *modus vivendi* that will be satisfactory to both sides. According to the same source the Japanese frankly admit that they do not want to carry on the struggle because of the cost. It is also stated that the high officers of the 19th Route Army are willing to retire provided a face-saving formula can be found. The opposition to this retirement comes first, from the mass of the Chinese people who are "mad" and secondly, from the rank and file of the 19th Route Army who feel that they can defeat the Japanese. An unconfirmed rumor also states that the Japanese and Chinese are carrying on discussions on the basis that the 19th Route Army retire from Shanghai and that the Japanese withdraw within the defense lines of the Settlement. The Chinese are willing to allow the Japanese to retain a certain number of troops within the Settlement defense lines proportionate to the number stationed here by other nationals. The same source stated that for the present these negotiations must be carried on between the Japanese and Chinese. Later foreign mediators may be asked to see that the conditions of the potential agreement are carried out. I give but little credence to these rumors.

4. It is my personal opinion that if the civilian Chinese negotiators are able to convince the 19th Route Army that they are facing inevitable defeat if they persist in their present course, it is possible that this organization may gradually disintegrate.

5. The financial situation in Shanghai among the Chinese native banks continues in a parlous state. The modern and native bankers have formed a sort of super-banking organization with a capital of $75,000,000 for the purpose of preventing the native banks from going to the wall. Many native shops have not reopened because it is believed that they are financially unable to do so. For this same reason foreign firms are finding it impossible to cash native drafts.

6. Shanghai consignees are refusing drafts unless merchandise has immediate sale. Advise further shipments only against irrevocable letter of credit. This situation is the result of the attitude adopted by Chinese native banks in refusing to release any hard cash. The congestion upon piers and in warehouses continues without perceptible abatement.

7. It is understood that T. V. Soong and certain other Government officials have approached the Chinese banks with a proposal that the period for all domestic bonds be extended 3 years, and that the period of amortization of all loans be extended for 3 years and that a flat rate of 6 percent be set. This would naturally give the Government a larger

income and it is believed that there is an implied threat back of this that if it is not agreed to a moratorium will be declared.

8. On February 15th the American marines reported that eight 75 mm. high explosive shells with time fuses fired from the Hongkew rifle range struck in the first battalion area near post number 5 and passed the wall of the Foufoong godown, exploding in a high stack of flour. Two others exploded nearby and others struck in the Soochow Creek. One missed a marine patrol by 15 or 20 feet, another a sentry squad by about 50 feet and all struck within 100 yards of 2 officers and 31 men. When the Japanese Army headquarters were communicated with they said they would correct their range.

9. The Standard Oil Company reports that their ship the *Meitung*, when proceeding from Soochow to Shanghai by Setai Lake and the Whangpoo River, was fired upon by soldiers near the Zahweikong Railway Station and was forced to turn about and proceed towards Minghong.

10. It is reported that the First and Second Divisions of the Chinese Emergency Corps have been reorganized into the 87th and 88th Divisions and will be sent to Shanghai to assist the 19th Route Army. The Tax Police Corps formerly under the direct command of the Ministry of Finance has been incorporated into the 88th Division as an independent brigade consisting of nine regiments.

11. The Japanese continue to interfere with the exercise of police jurisdiction within the Settlement boundaries. On February 14th a British subject was held up on Dixwell Road near North Szechuan Road by Japanese marines and reservists who made him alight from his car and searched him. His curfew and emergency passes were taken from him and torn up. On February 15th a male Chinese was arrested by Japanese reservists on Broadway and Boone Road and taken to an unknown destination. On February 16th a male Chinese was seen being taken along Woochang Road towards the Japanese temple by a Japanese civilian. On February 16th, two male Chinese were seen being taken into the Japanese school in Range Road by two Japanese marines. On February 16th, a male Chinese was seen in the custody of Japanese marines being taken along Woosung Road. The Japanese promises to return municipal functions to the Shanghai Municipal Council are by no means being fulfilled and if any assistance can be extended it would be greatly appreciated.[57]

Repeated to the Legation and Nanking.

CUNNINGHAM

[57] On February 19 the Consul General at Shanghai telegraphed as follows (No. 79, February 19, 4 p. m.): "Referring to my telegram No. 64, February 17, 5 p. m., due to the changed conditions it is requested that the last sentence therein be canceled." (793.94/4297)

793.94/4252 : Telegram

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

TOKYO, February 17, 1932—7 p.m.
[Received February 17—10 a.m.]

72. My telegram No. 70, February 16, 10 p. m. I have discussed the contents of this telegram with my French, British, Italian and German colleagues here and they agree that it represents their point of view. I have met no dissenting opinion. They were all emphatic that further representations in Tokyo at the moment would not be effective and might do harm.

With reference to the Department's telegram 56, February 15, 6 p. m., the British Ambassador here has so far had no instructions. The French Ambassador stated that he had received instructions to inform the Foreign Minister that the French reserved all rights and objected to the use of the International Settlement as a base for warlike operations, which might endanger French lives and property. He did this orally today, he did not present any written protest or memorandum.

The Foreign Office gave out the gist of a telegram from the Japanese Ambassador in Washington in which he referred to a conversation with you [58] to the effect that I was to be instructed to present a protest in Tokyo. As given to the correspondents here the Japanese Ambassador's telegram contained the purport of your telegram No. 56, February 15, 6 p. m.[59]

FORBES

793.94/4266 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 17, 1932—8 p.m.
[Received February 17—4:15 p.m.]

27. Sweetser informs me that at a private meeting of the Twelve today a legal argument prepared by the Japanese was considered. The argument endeavors to show that China has no legal right to summon the Assembly.

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[58] See memorandum by the Secretary of State, February 15, 1932, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 194.

[59] Cf. memorandum by the Secretary of State, February 17, 1932, *ibid.*, p. 196.

The memorandum was referred to a special committee of jurists who will subsequently report to the Twelve.

The objections would not seem to be taken very seriously by the members of the Council.

WILSON

793.94/4254 : Telegram

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

SHANGHAI, February 17, 1932—9 p.m.
[Received February 17—11:10 a.m.]

65. Japanese Consul Iguchi stated tonight that the Consulate General expected momentarily from Tokyo terms of an ultimatum requiring the immediate cessation of hostilities and withdrawal on the part of Chinese Army; that the Japanese Consul would immediately deliver same to Mayor and Japanese Army commander to Chinese Army commander. Iguchi opined that the ultimatum would be delivered tonight and 24 [hours?] would be given for compliance.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4351

The Under Secretary of State (Castle) to the Secretary of State

[WASHINGTON,] February 17, 1932.

MR. SECRETARY: Monsieur Henry telephoned from the Embassy to read a telegram in answer to that sent by the Ambassador last night on the subject of representations in Tokyo. The telegram said that Martel had already been instructed to make *verbal* protest to the Foreign Office along with his British colleague on the subject of the use of the International Settlement as a base of operations. As soon as the telegram from Washington arrived, stating that the British did not intend at the moment to make another protest, Martel was instructed to go ahead and make a verbal protest independently.

It is clear that the wording of your note is not necessarily to be used and there seems to have been no instruction to consult with Forbes. The question now to be decided, therefore, is whether Forbes should be instructed once more to make a verbal protest in line with the text we sent him and in view of the imminence of a drive in the vicinity of Shanghai.

W. R. CASTLE, JR.

793.94/4267 : Telegram

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

SHANGHAI, February 17, 1932—midnight.
[Received February 17—6:55 p.m.]

My telegram February 13, 8 p. m. Through the good offices of British Minister it has been agreed between Koo, representing the Chinese, and the Japanese Minister that there shall be a meeting between the Chinese and Japanese military tomorrow February 18, 9 a. m., at the Sino-Japanese Friendship Association in the French Concession. Japanese will be represented by Chief of Staff General Tashiro accompanied by one staff officer and one interpreter. Chinese will be represented by Major General Fan Chi-wu, Chief of Staff of 19th Army, accompanied by one secretary and one interpreter.

2. At this meeting Japanese will explain terms under which they will agree not to push hostilities further, namely:

(*a*) 19th Army will withdraw to a line 20 kilometres from the Japanese sector of Settlement on north bank of Soochow Creek and to same line on right bank of Whangpoo River.

(*b*) Chinese withdrawal to be checked by Japanese Military Commission with guards. Third parties may accompany it.

(*c*) Japanese forces to be withdrawn to original position within the Settlement.

(*d*) Chinese may raise question of checking Japanese withdrawal and although Japanese may oppose this, it is understood they may yield.

(*e*) Chinese to withdraw plain-clothes men.

(*f*) Question of protection of aliens within the evacuated area may be discussed.

3. On the civil side Consul General Murai will notify Mayor of terms, asking that Chinese forces evacuate area specified (not specially mentioning 19th Army). Consul General will also ask the Mayor to reaffirm 10 points accepted by Mayor January 28th in reference to anti-Japanese activities, etc.

4. Question of permanence of withdrawal not to be discussed.

5. Lampson and I hope that at the meeting Chinese and Japanese will arrange for cessation of hostilities. Japanese go armed with authorization to present an ultimatum but will not use it until evident that the meeting has failed of its purpose.

Scene and personnel of meeting to be treated as confidential.

JOHNSON

793.94/4291½

Memorandum by the Secretary of State of a Trans-Atlantic Telephone Conversation With the Chargé in Great Britain (Atherton) on February 18, 1932

This morning about eight o'clock I had a talk over the telephone with Mr. Atherton in London. I told him that I had revised the draft of the proposals of the Nine-Power Treaty which I had sent to Sir John Simon last week so as to conform entirely to Sir John's suggestions, and that I was sending this revised draft to Mr. Atherton, together with a statement of my reasons why I thought it was most important that any action taken under the Nine-Power Treaty should be taken by at least the United States and Great Britain. I told him that I recognized that the situation was delicate and I wished him to hold these so that they would be ready for use but not to use them until the situation seemed to make it apt and desirable. I told him that if a discussion came up on the subject he could say that I felt that the situation now existing made it very clear that the United States ought not to act alone. I told him that I would try to cable him the foregoing matters some time today. Mr. Atherton said he understood the situation and that he himself had been keeping very much in the background in London during the past twenty-four hours.

793.94/4337

Memorandum by the Secretary of State

[WASHINGTON,] February 18, 1932.

The French Ambassador came at my request. I told him I had sent for him in order to ask his advice in reference to what we should do with respect to our protest to Japan on the landing of troops. I said that the situation had changed since the time when he first spoke to me and I had subsequently spoken to him. I said, in the first place, there were peace negotiations going on at Shanghai which seem to have reached an encouraging stage and I allowed him to read Johnson's telegram of February 17, midnight. After reading it, the Ambassador said it was very encouraging. I said then that, in addition to that, the Japanese election came on Saturday, the twentieth, and I was convinced from the way in which the Tokyo Foreign Office had handled my confidential talk with Debuchi in giving it out to the press that they would play politics over any protest which we might send before election. I, therefore, was inclined to believe that the wisest policy would be to let this matter wait until they could not use it at the election. The Ambassador at once said that he had not known

about the election but he was inclined to agree with me and that it would be wiser not to risk disturbing the peace negotiations. I told him that the principal thing that I wished to avoid was any danger of a misunderstanding with France and that if his Government felt that they had gone ahead and relied upon us and been disappointed, I would rather send the message which was lying on my desk authorizing the protest. The Ambassador said that when he telegraphed, after his talk with me, he found his Government had already sent the message on their own initiative, apparently without knowledge of his message. He only regretted that they had made a verbal protest instead of the written one we had suggested. The Ambassador said that modern diplomacy involved juridical matters now and it was necessary to lay a foundation for a lawsuit and now we had no evidence of our protest except these verbal representations—we had no paper which we could show the Chinese in case the question came up between us and them. I said I agreed with him perfectly and that I had been criticized in my own Department for relying too much on verbal representations instead of making a written record at the time. The Ambassador responded that he felt that in these juridical times the old methods of verbal intercourse were getting obsolete in such matters. I said under those circumstances I would hold this matter until after the election.

The Ambassador then referred to an entirely different matter for which a separate memorandum will be written. After this I brought him back to the question of China and asked him whether he had heard any answer from France to my suggestion as to the Nine-Power Treaty. He said he had communicated what I said to his Government but they made no reply. I pointed out to him the reasons why I thought the Nine-Power Treaty would make more impression both upon Japan and China than Article 10 of the League. I said that, in the first place, the Japanese could not say to the Nine-Power Treaty as they were saying to Article 10 that it was not intended to cover China. The Nine-Power Treaty was explicit and referred only to China and it represented a long and deliberate policy. Furthermore, both Japan and China knew that the signatories were not acting in any spirit of altruism if they invoked the Nine-Power Treaty but because they had a direct interest in the Yangtze Valley which they did not wish to have disturbed and Japan would pay more attention to that than to a general treaty based upon a general world policy. In the second place, I thought it would have much more effect upon China and would convince China that we were not siding with Japanese aggression. I felt that this was very necessary to protect our nationals in China. The Ambassador said he realized all this but the difficulty was that both Japan and China had made up their minds that neither

we nor the nations of Europe would fight. In the words of the Chinese proverb it was a case of straw guns and snow swords. Therefore he, the Ambassador, feared that when they got together to settle their differences they would settle, both of them, at the expense of us and he reminded me of how he had told me that General Ma up in Manchuria would prove to be a Japanese in Chinese uniform.

H[ENRY] L. S[TIMSON]

793.94/4336

Memorandum by the Secretary of State

[WASHINGTON,] February 18, 1932.

The Italian Ambassador came in and said that he had been asked by Mr. Castle to send a note of protest to Japan, which he had forwarded to his Government; that Signor Grandi had at once accepted it and proposed to go ahead; but when they consulted their Ambassador in Tokyo they found that the British Ambassador had not received instructions to do it and that the American Ambassador had cabled home urging the withholding of this message. Therefore, de Martino said, they were holding this, and he wanted to ask what the situation was now.

I told him that the situation had changed since Mr. Castle spoke to him and for two reasons it seemed to me that it would be wise to withhold making the protest for the present: in the first place I had learned this morning that peace negotiations were going on at Shanghai, apparently with a fair chance of success; that if they were successful there would be no need of making the protest; and in the second place we were now only two days off from the Japanese election which is being held Saturday, the twentieth; that the Japanese are particularly sensitive just before an election and would be likely to use a protest now to inflame the nationalistic feeling in the public of Japan; that therefore I thought it was wiser to withhold this notice for the present and that I had so notified Mr. Claudel, who had just preceded de Martino.

H[ENRY] L. S[TIMSON]

793.94/4335

Memorandum by the Secretary of State

[WASHINGTON,] February 18, 1932.

The German Ambassador came in to see me and said that he came to ask the news of the Chinese situation. He reminded me that when

he was last here we had thought the situation was a little more optimistic than it apparently was now. I told him that the situation vacillated very rapidly and quickly between optimism and pessimism and back again and that it was quite impossible to form any steady opinion of what was likely to be the outcome; that this morning, for example, I had a cable[60] stating that the Chinese and Japanese were on the point of a conference for the cessation of hostilities, and I had no sooner finished reading the cable than the press reported that fire had been opened about an hour before the conference was to have begun.

The Ambassador brought up the question of the Nine-Power Treaty. I said I had thought ever since last September that that treaty held an important part in the situation because it represented the crystallization of a policy which had been developing for thirty years and had been adopted at a general conference of the powers after a full discussion and was very explicit in its terms. I told him that the main difficulty was as to the method so as not to have any crossing of wires with the League's action but that I had no doubt that some time the Nine-Power Treaty would be very useful. The Ambassador told me that the German Government had signed as an adherent but that had never been ratified by the German Parliament. I asked him why they did not ratify now; that they meet next week and perhaps they would do so. I said that if any action were taken under the treaty undoubtedly all signatories and adherents would be notified.

The action taken by the League this week under Article X was mentioned, and I took the occasion to tell the Ambassador that that action was taken without any suggestion on our part.

H[ENRY] L. S[TIMSON]

793.94/4278 : Telegram

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

PEIPING, February 18, 1932—2 p.m.
[Received February 18—1:26 p.m.]

242. Following from American Consul General, Nanking:

"February 16, 4 p. m.

1. Nanking remains quiet but it is the understanding of Chinese Army officers interviewed that the Japanese forces at Shanghai will shortly deliver an ultimatum to the 19th Route Army demanding withdrawal and that the Chinese forces will refuse whereupon severe hostilities will take place for several days including probably operations at Nanking after which Chinese forces will be obliged to retreat from Shanghai.

[60] Not printed.

2. Chiang Kai-shek came to Nanking February 13, and it is reported on apparently reliable authority that he is engaged in conference today at Puchen, near Pukow, with Wang Ching-wei, Feng Yu-hsiang and other military commanders. It is also reliably reported that requisitions for rolling stock have been made on the Tientsin-Pukow Railway for the conveyance of troops from the north. Numbers of troops involved are estimated at more than 50,000.

3. There is no [*some?*] reason to believe that Chang Chih-chung, Director of Central Military Academy, has been appointed commander of 87th Division and of 5th Route Army and that he left for Shanghai area February 15th with the intention of taking over a portion of the lines now held by 19th Route Army if the latter will consent. Troop movements from Nanking to Shanghai are again reported. Military movements and plans are carefully concealed probably with the object of permitting a peaceful revolution if that is possible but I am led to believe that the Government is actively preparing to engage in hostilities with Japan both at Shanghai and Nanking. It is reported here that in the event of such hostilities Feng Yu-hsiang will command all Chinese forces in the Yangtze region and Chiang Kai-shek will take over command of Chang Hsueh-liang's forces for an offensive in north China and Manchuria.

4. While these various reports seem reliable I shall endeavor to obtain confirmation."

For the Minister:
PERKINS

793.94/4277 : Telegram

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

SHANGHAI, February 18, 1932—6 p.m.
[Received February 18—1:45 p.m.]

My February 17, midnight. Conference this morning lasted 2 hours and appears to have ended in complete breakdown. According to Chinese sources the Japanese demanded among other things the withdrawal of Chinese forces 20 kilometres without promising any withdrawal of Japanese troops. Japanese are also said to have demanded permanent dismantling of Woosung forts. They are reported to be preparing to present written demands at 9 p. m. tonight which it is believed will be in the nature of an ultimatum. Chinese consider the Japanese proposals of this morning totally unacceptable and do not believe that they were submitted by the Japanese in good faith with any expectancy that they would be accepted.

JOHNSON

793.94/4291 : Telegram

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

SHANGHAI, February 18, 1932—6 p.m.
[Received 10:28 p.m.]

72. Continuing my daily report No. 64, February 17, 5 p. m.

1. According to best information available, the situation remains quiet along both the Woosung and Chapei fronts. The Japanese Marine Headquarters, however, have complained to newspapermen that the Chinese have been firing upon their positions. It has been learned, however, that Japanese soldiers on duty at sandbag emplacements and machine-gun posts west of North Szechuan [Road] and on Paoshing Road were walking about quite openly this morning. At these points there were no signs of Chinese troops. I feel Japanese troops at these points have used every precaution against snipers and the opposing Chinese troops. Furthermore, the Japanese military forces have not come into the lines in any great numbers. They are still billeted in the Yangtzepoo district.

2. Referring to the peace negotiations reported in paragraph 3 of my yesterday's daily cable, it is now confirmed that a conference between Lieutenant-General Uyeda and General Tsai Ting-kai began at 9 o'clock this morning. With reference to statement that the rank and file of the 19th Route Army are determined to fight, it is rumored but not confirmed that a number of troops in Nanking insist upon coming to the assistance of the defenders of Shanghai despite the orders of their superior officers.

3. Yesterday some 10 airplanes and parts were landed at Wayside Wharf from the Japanese naval transport and were later wheeled by Japanese soldiers to the new airfield near the Shanghai Baptist College mentioned in a previous telegram. Five torpedo boats arrived at the Japanese Wayside Wharf loaded where they stored the ordnance. It is reported that Chinese soldiers are digging trenches on the south side of Siccawei Creek beyond Siccawei observatory. Numerous shells continue to fall within the Settlement limits. With reference to paragraph 2 of my yesterday's daily cable, the two British naval guards died last night.

4. Reference paragraph 11 of yesterday's daily cable, an American reported yesterday to this Consulate General that 5 of his servants had been detained by the Japanese marines. A representative of this office accompanied the American complainant to his house at 41 Kiangwan Road adjacent to the Hongkew Park. The house was found to be occupied by Japanese marines with the American flag still flying over it. Notices stating that the property in question is American are

still posted on the residence. The house was found to be in an indescribable state of disorder, every room having been ransacked and almost everything of value stolen. There was a notice written in broken English to the effect that the Japanese marines were not responsible for the condition of the house because they found it in that state. While returning from the investigation the Vice Consul and complaining American passed a building occupied by Japanese troops where the American stated he positively identified his own automobile occupied by Japanese marines. This is only one of many similar incidents that could be reported as having happened not only to Chinese but to Americans and British as well. The question that presents itself for eventual solution is: who is going to pay for the loss and damage? A complaint has been made to the Japanese Consul General.

5. Yesterday afternoon about 100 Chinese students and laborers paraded in Nanlee [*Nanking Road?*] shouting communistic slogans. On the banner leading the procession were the characters "Anti-Japanese National Salvation Army of the Masses". One of the most significant of these handbills read "The third manifesto issued by the Chinese national journal in connection with the occupation of Shanghai by Japanese imperialists" and urged the laborers throughout the country to arm themselves in order to oppose foreign imperialism and a second world war and to overthrow the Kuomintang and support Soviet Russia. Another circular appeared urging the people to declare a general strike, to oppose the occupation of Shanghai by the Japanese imperialists, to arm themselves to oppose secret treaties concluded between the Kuomintang and foreign imperialists, to demand relief for unemployed workers, to oppose prevalence [*proclamation?*] of the state of emergency by the Shanghai Municipal Council, to oppose a second world war and to support Soviet Russia by force of arms. In this connection it has been officially intimated that many conservative Chinese are now thinking that it is better for China to become communistic than to submit to Japanese aggression. In view of the failure of the powers to assist China it was stated that Russia would probably be willing to assist China to the extent of selling her munitions.

6. About 40 representatives of local business bodies held a meeting under the auspices of "National Salvation Association of the Shanghai Masses to Resist Japan". Many resolutions were passed the most significant of which were: (1) that arrangements be made to organize a "people's party group" which will be especially used to seize rice, (2) that workers of various factories organize their respective anti-Japanese associations, (3) that representatives of the various workers including bus workers, French tramway workers, Shanghai tramway workers, telephone workers, and Kiwa mill workers form a "laborers

anti-Japanese federation["], (4) that the unemployed laborers and refugees besiege the office of the Citizens Maintenance Association and demand the issue of rice.

7. Japanese mills are still closed. Chinese and foreign mills with one or two exceptions also remain closed. Certain representatives of the workers in the Japanese mills have met and passed resolutions to the effect that no one be allowed to resume work unless it be decided upon by a general meeting of workers, that picketing groups and investigation groups be organized.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4273 : Telegram

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

PEIPING, February 18, 1932—7 p.m.
[Received February 18—10:20 a.m.]

246. Following from Captain Mayer:

"February 17, 5 p. m. Result of interview with Tsai Ting-kai indicates he will not retire from present positions without a fight. He stated to me that he had wholehearted Government support. Reports state 87th, 88th and 89th Divisions are in support south and west of Shanghai, these are old First, Second and Third Guard Divisions. General Tashiro, Japanese Chief of Staff, told me today that Japanese prefer 19th Army retire peacefully and although ready Japanese are not preparing to attack. Naval forces still in position on Chapei and Hongkew front. Army billeted in Yangtzepoo. Fairly heavy bombardment from both sides last night, a few Japanese shells fell in American sector and a few Chinese shells on Yangtzepoo water front."

For the Minister:
PERKINS

793.94/4289 : Telegram

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

SHANGHAI, February 18, 1932—3 [7] p.m.
[Received 3:43 p.m.]

73. Consular body at meeting February 17, decided to send letters in following sense *mutatis mutandis* to Japanese Consul General and Mayor of Shanghai municipality.

"In view of the immense importance of the port of Shanghai in world commerce I have the honor to state that it is the earnest desire

of my interested colleagues and myself to take all steps possible to maintain the trade and shipping of our respective countries during the present critical time. With this end in view we trust that the responsible Japanese authorities will without qualification undertake not to interfere either now or in the future with the [trade?] and shipping of the various countries of Europe and America at this port and that you will see fit to make a declaration in this sense.

A similar communication is being addressed to the Chinese authorities concerned and the favor of a prompt reply is requested."

Letters will probably be sent this evening.

In proposing foregoing action to consular body I had in mind compliance with paragraph three B [*sic*] of Department's February 6, 8 p. m.[61]

Repeated to the Legation.

CUNNINGHAM

793.94/4310 : Telegram

The Minister in China (Johnson) to the Secretary of State [62]

SHANGHAI, February 18, 1932—8 p.m.
[Received February 18—5 p.m.]

Referring to my 6 p.m. of February 18th, have been advised this evening by Wellington Koo of the result of the conference. He states that terms have been referred to Nanking but he expected Nanking to refuse acceptance. He further states that if the ultimatum which they expect tonight includes the same terms as those submitted this morning it would not be accepted and that no doubt hostilities would begin again in due course. In view of this probability he stated that the General had requested that he see me and that I be informed unofficially of the danger to which all residents of the Hongkew section would be exposed from Chinese shells falling over and into that section and further suggested that I take steps to warn the American residents of this section. I contemplate a consultation this evening with the British Minister. I am inclined to notify my Japanese colleagues that we will hold Japan accountable for any injury to American lives or property which may be suffered as a result of hostilities brought on by Japanese attacks delivered from areas adjacent to such property within the International Settlement. I also propose to inform the Chinese Government that their disclaimer of responsibility for damage within the Settlement cannot be accepted.

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[61] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 184; cf. telegram No. 56, February 6, 1932, 8 p.m., to the Chargé in Great Britain, p. 242.

[62] This is a paraphrase of a telegram received by the Office of Naval Intelligence, Navy Department, for transmission to the Department of State.

I believe Japanese terms indicate that they do not expect Chinese to yield and that they are now following policy here in line with that which they have announced relative to the demilitarization of the Chinese ports. The commander in chief agrees that United States must avoid being forced into conflict with the Chinese in the support of such a policy. I intend to advise Cunningham to warn Americans who reside in Hongkew to avoid places where danger of shelling exists.

JOHNSON

793.94/4279 : Telegram

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

SHANGHAI, February 18, 1932—11 p.m.
[Received February 18—2 p.m.]

My February 18, 8 p.m. Following is ultimatum delivered by Japanese commander to Chinese commander and telephoned me in English by Wellington Koo. Original is in Japanese.

"1. The Chinese to evacuate completely from the first line by 7 a. m. on the morning of the 20th and to evacuate completely from the designated area by 5 p. m. the same day—all forces and other military establishments to be removed and no new establishments to be put up.

2. During the evacuation the Japanese will neither fire upon nor pursue the Chinese forces except that they will use airplane[s] to observe the progress of evacuation and after the evacuation the Japanese forces will retain only the district of the extra-Settlement roads including Hongkew Park.

3. They will send out officers to ascertain the sector of complete evacuation after the first line is evacuated.

4. The Chinese forces are to undertake the protection of Japanese nationals outside the areas evacuated. They reserve the right to take appropriate measures in case of failure effectively to suppress the plain-clothes men.

5. The protection of foreign nationals in the Shanghai neighborhood including the evacuated area is to be discussed separately.

6. Effective carrying out of the promise to suppress all anti-Japanese movements. This will be the subject of negotiations by the Japanese diplomatic officials.

If the foregoing articles are not carried out the Japanese forces will be compelled to take necessary action, all consequences to rest with the Chinese Army."

Koo informed me that he was awaiting action of the Government at Nanking to which ultimatum has been referred. He stated that he expected Government's attitude would be unfavorable.

JOHNSON

793.94/4306a : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, February 18, 1932—10 p.m.

70. I have revised the draft Nine-Power proposal previously sent to Sir John Simon[63] so that I believe it conforms entirely with his suggestions. I give you below the draft as it now stands. I send it to you in order that you may have it available in case I should hereafter ask you to deliver it or in case the occasion should arise when you in your own discretion decide that it would be useful to give it to Simon or Vansittart.

In case you should deliver it please tell them that my reasons for thinking that it is vital for them to join us in this document are as follows:

First, the Nine-Power Treaty was a definite pledge in respect to China, setting forth a policy specifically applicable to that country and undertaken after full consideration of all the peculiarities of China's position. In this respect it is far more potent and applicable than Article X of the Covenant of the League. It can not be brushed aside as inapplicable in the way in which Japan is already attempting to brush aside Article X.

Second, it has been adopted by the Powers which have important specific interests in their relations to China and is not a mere covenant of general application to the world. Japan will necessarily recognize that when the signatories of the Nine-Power Treaty speak, particularly in the case of Britain and America, they are not indulging in generalizations but have the intention of protecting vital specific interests. The Nine-Power Treaty will therefore obtain an attention from Japan which an invocation of Article X will not obtain.

Third, for the same reason, the Nine-Power Treaty holds a special historical sanctity for China. The Chinese regard the Nine-Power Treaty as a codification of the principles of the Open Door policy in respect to her shelter and protection. The insistence with which her spokesmen during the past months have referred to this treaty and urged its invocation prove this. The reports which I get from our Minister to China accentuate this and make me believe that an invocation of this treaty will be the surest and perhaps the only way of making Chinese people believe in our good faith and preventing the hostile action of Japan from being followed by indiscriminate reprisals against all foreigners in China. In short, I believe that this treaty is by far our most effective weapon, both to compel the attention of

[63] See telegram No. 11, February 12, 1932, 2 p. m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 80.

the reckless elements in Japan, and also to protect our nationals against possible reckless manifestations of misguided nationalism in China. For the same reason, it is equally clear that an invocation of this treaty must be made by at least two of the dominant powers interested in the Yangtze Valley, namely, Britain and America.

Finally, the British Foreign Minister has repeatedly reiterated the desire of his Government to go step by step with our Government in this question. The two treaties on which this proposal is based, namely, the Nine-Power Treaty and the Pact of Paris are the logical and appropriate link for common action between us and Great Britain. Of these two, of course, the Nine-Power Treaty is the dominant and peculiarly pertinent one. Unless his Government is willing to walk in step with us on this proposal, all the effectiveness of his suggestion is lost.

The draft as it now stands corrected is as follows:

Introduction and Article I, no change.

Article II, second sentence, fifth word, delete "successive" and substitute words "independent but harmonious." Otherwise Article II unchanged.

Cancel present Article III and substitute as Article III the following:

"III. The (blank) governments have already respectively made known to the Chinese and the Japanese Governments their views as to the relation between these treaties and the events which have occurred in that portion of China known as Manchuria since September 18, 1931. It is unnecessary to repeat them in this communication."

Article IV change to read as follows:

"IV. The recent events in Shanghai seem to the (blank) governments to give full cause for the deepest apprehension of all nations which have been interested in the policy of the two treaties to which we have referred. It is unnecessary now to attempt to analyze the origin of the controversy or to apportion the blame between the two nations which unhappily are involved. For it is clear beyond peradventure that a situation has developed which cannot under any circumstances be reconciled with the covenants and the obligations of these two treaties and which is wholly abhorrent to the enlightened purpose for which they were conceived. There is now assembled in the port of Shanghai a Japanese force including over 40 vessels of war and reinforced by a large expeditionary force of land troops. The very size of such an expedition would seem not only disproportionate to its avowed objective of protecting life and property in the city of Shanghai but in itself likely to be provocative of counter-violence. Military airplanes have been bombing areas densely populated by helpless civilians of a nation with whom their operators are not ostensibly at war. Many miles away from the city where the alleged provocative violence against Japanese nationals occurred, the Japanese

Government is now engaged in military operations on a large scale. It is inconceivable that if the spirit and purpose of these two treaties had been kept in mind and the available machinery for the peaceful solution of controversies used such a situation as now exists could have developed."

Cancel present Article V and substitute as Article V the following:

"V. The perils to which these hostilities and violence have subjected their nationals at Shanghai have made very clear the direct and special interest of the (blank) governments and their fellow signatories and adherents in the inviolability of these treaties. In the Shanghai area, and in particular within the International Settlement, their nationals and the nationals of many nations reside and carry on their legitimate pursuits in conformity with their recognized rights. By many years of effort, acting in common cause, and under the authority of treaties and agreements with China the first of which were made nearly a century ago, they have developed a well ordered community in which they and their families could safely make their homes and carry on their affairs. They are in no way responsible for the perilous situation which has arisen. Their Governments are at peace with China. Nevertheless and in spite of repeated protests, the International Settlement has been used as a base for the furtherance of these hostilities against China; large numbers of troops and munitions of war have been landed in the Settlement for use in extensive military operations; and serious destruction to life and property has occurred within the Settlements as a result of violent encounters in the streets, bombs dropped from aeroplanes, falling shells and fires ignited in the course of operations."

Article VI change to read as follows:

"VI. The (blank) governments avail themselves of the opportunity afforded by the terms of Article VII of the Nine-Power Treaty to express frankly and without reserve their views upon these occurrences in China in order that there may be no misunderstanding. They do not believe that such a situation as has arisen is unavoidable, provided the covenants of the Nine-Power Treaty and the Pact of Paris are faithfully observed by those who have covenanted to observe them. They are unwilling to consent that the enlightened policy which has heretofore marked the efforts of the nations of the earth towards China and towards each other should be repudiated or be abandoned. They have a legitimate concern, in view of their treaty rights and obligations, in any negotiations whereby those rights and obligations and the policies which they represent may be affected. It is their belief that if the covenants and policies of the Nine-Power Treaty and the Pact of Paris be allowed to be set at naught the loss to all the nations of the world will be immeasurable. For this reason they notify their fellow signatories and adherents to those treaties that they for themselves and each of them do not propose to recognize as valid any treaty, agreement, arrangement or situation which may be entered into or created in China by means of acts or policies which are in violation of the covenants of those treaties."

STIMSON

793.94/4268 : Telegram

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

WASHINGTON, February 18, 1932—12 p.m.

34. Your 64, February 17, 5 p. m., paragraph 11, in regard to continuance of Japanese interference with municipal functions.

1. Has Municipal Council reported this matter to the Consular Body? If so, it would seem appropriate for the Consular Body to discuss the matter with a view to bringing the situation to the attention of the appropriate Japanese authorities at Shanghai or with a view to making recommendations to the interested Ministers.

Please confer with the Minister.

Following for guidance:

In regard to all matters which are of common concern to the several powers interested in the administration of the International Settlement, the Department feels in general (1) that, as questions arise, they should be brought to the attention of the Consular Body, discussed by that Body and an attempt made to effect a local settlement; (2) that in attempting such local settlement the various Ministers concerned, particularly those in Shanghai, might be consulted; and (3) that in the event efforts toward a local settlement fail, a report of the facts should then be made to the various governments concerned together with (*a*) your views, (*b*) the views of the Minister, and (*c*) the views of the Consular Body.

In present circumstances, in case Japanese Consul General by failure to cooperate prevents unanimous action by Consular Body, Department feels that action should be taken collectively by Consuls of other interested Powers.

2. Referring to last sentence of paragraph 11 of your telegram under reference, if you think, after conference with Minister, that Department is in position to render assistance, please indicate what type of possible assistance you have in mind.[64]

STIMSON

893.01 Manchuria/2 : Telegram

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

PEIPING, February 19, 1932—9 a.m.
[Received February 19—4:10 a.m.]

248. Legation's 238, February 17, 2 p. m. Following from American Consul General at Mukden:

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[64] See footnote 57, p. 369.

"February 17, 3 p.m. Supplementing my telegram of February 16, 6 p.m. There is reason to believe that Japanese officials with the knowledge and probably with the sanction of high Japanese authorities are strongly urging the immediate establishment of the new state owing to the immediate visit of the League Commission and conditions at Shanghai; also that with possibly a few exceptions the Chinese officials are anxious to effect a temporizing arrangement—a central political council for the provinces is being mentioned—in view of recent developments in Shanghai and threats of Chinese invasion of Manchuria. Reliably informed that Chinese officials are alarmed at the possibilities and for political reasons agreed at a secret meeting to try to postpone the establishment of the new state. Japanese well-informed opinion fully expects that important developments will take place in the next few days."

For the Minister:
PERKINS

893.01 Manchuria/3 : Telegram

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

PEIPING, February 19, 1932—10 a.m.
[Received February 19—5:20 a.m.]

249. Following from American Consul General at Mukden:

1. "February 17, 8 p. m. Have learned that a meeting was held at Governor's Palace today at which a supreme political council consisting of Chang Ching-hui, elected chairman, and Tsang Shih-yi, Ma Chan-shan and Hsi Chia was formed. Other persons present were three representatives of Mongolia and one of Jehol. The council is a temporary body organized to make arrangements for the formation of the new state.

It is reported that the sessions of the council will be held at Changchun."

2. "February 18, 6 p.m. The new central body is called the new administration commission. It consists of seven members, the four mentioned in the above telegram, and Tang Yu-lin, represented by his son, and two Mongols, Chi Wang and Ling Sheng. A declaration was issued today under their names declaring the independence of the four northeastern provinces and the severance of relations with the party government (Nanking). It states that the new administration commission will arrange all matters relating to the establishment of the new state and state they expect to attain the following: (1) internally, to establish the liberal government and to put down the old militarism, (2) externally, to stop all antiforeign acts and to adopt the principle of the open door and equal opportunity, (3) to reduce the burdens of the people and improve the public welfare.

Ma was elected Governor of Heilungkiang vice Chang Ching-hui, resigned. Ma and Hsi Chia left for their posts this morning."

For the Minister:
PERKINS

793.94/4287 : Telegram

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

SHANGHAI, February 19, 1932—11 a.m.
[Received February 19—3 a.m.]

75. My telegram No. 69, February 18, 3 p.m.[65] I learn from Japanese general that last night Japanese military commander sent to Chinese military commander demands for withdrawal with time limit. Press agencies this morning publish demands which are similar to those told me yesterday by Japanese Consul General and reported in my telegram. Japanese Consulate General states news agencies reports substantially correct and one translation will be ready by 3 o'clock this afternoon.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4309 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 19, 1932—11 a.m.
[Received February 19—10:55 a.m.]

75. Two important statements were made in Parliament yesterday on the Far Eastern situation.

1. Lord Ponsonby (Labor) stated in House of Lords British obligations seemed to fall into four categories:

(*a*) defense of our nationals and safeguarding of trade positions;
(*b*) partners in the preservation of neutrality of the International Settlement;
(*c*) as cosignatories of the Nine-Power Treaty and the Peace Pact of 1928;
(*d*) special obligations as defenders of the Covenant of the League of Nations.

Regarding (*a*), Ponsonby stated the Government appeared to have paid very special attention. He continued:

"The British Government did not support the United States in their note to Japan of January 7th but addressed a communiqué merely pressing on Japan that they should observe the open-door policy. That made a very bad impression because it looked as if the British Government at that time thought that the foremost interest was British trade in China and that they ignored the far more serious matters mentioned in the United States' note. That was a very serious error. Every opportunity should have been taken to cooperate as closely as possible

[65] Not printed.

with the United States. The use of the Japanese sector of the International Settlement as a base for the Japanese operations had placed the Settlement in a very dangerous position."

Ponsonby pointed out nonobservance of the League Covenant must destroy its authority, and violation of collective treaties by any one signatory destroy their validity. He added:

"The very serious situation in Shanghai was entirely the consequence of the weakness of the League of Nations in handling the situation in Manchuria (. . .)[66] the latitude that was allowed to Japan in her action in Manchuria encouraged her to believe that she could go a great deal further in the present situation in Shanghai (. . .)[66] when they recalled the attitude of the Japanese Government in their reply to the five points presented to them on February 4th by the British and American Governments they might perhaps feel some doubt as to what their reply to this very formal and strong appeal from the 12 League powers (just issued) would be."

In conclusion Ponsonby stated he hoped the Government would not relax its endeavors and that no attempt would be made to bargain with the Japanese Government by allowing them a free hand to do what they liked in Manchuria providing they relaxed their stranglehold on Shanghai.

Lord Hailsham, Secretary of State for War (Conservative) replied for the Government. Summarizing the Government activities he stated *inter alia*:

"Anything which tends to throw doubt on the sanctity of the Covenant or to bring the League of Nations into disrepute must necessarily be a matter of the gravest importance to this Government and to the people of this country."

Lord Hailsham continued:

"While carrying on these efforts in the Far East the Government have throughout been keeping in the closest possible touch with the Government of the United States and with the friendly powers which form our colleagues on the Council and in the Assembly of the League of Nations.

The position of His Majesty's Government was not quite the same as that of the Government of the United States. Great Britain was a member of the League of Nations but the United States was not. The British Government had throughout this unhappy controversy been working in close touch with the United States Government. So far as he had heard there had been no suggestion of complaint or criticism from the United States as to any action or inaction on the part of His Majesty's Government and it would not be wise or proper if His Majesty's Government took any action which would seem to separate it from the other members of the League of Nations and identify it with

[66] Omission indicated in original telegram.

the United States in any form of opposition to the other members of the League. The efforts of this country had rather been to keep in the friendliest touch with the United States and act in every way in collaboration with that Government. At the same time we must stand by our duty to the League. It would be improper and dangerous automatically to put into operation the provisions of article 16 of the Covenant of the League. Such a course involved the prejudging of the issue which the Council of the League and the Assembly of the League had to determine; namely, which was the nation which was to blame."

Lord Hailsham continued:

"Whether the matter falls to be determined by the Assembly or is determined by the Council, the representatives of this country will form a part of the tribunal and His Majesty's Government would regard it as a breach of their duty if they were to express any opinion or come to any decision as to the responsibility for the situation which has arisen until they have heard the contentions of both sides and investigated the evidence which will be laid before them by one side or the other. I want to make it quite clear that the appeal which has been sent to Japan by 12 members of the League does not involve any condemnation of Japan; it does not involve the uttering of anything in the nature of a threat to Japan. It is, as it purports to be, merely an appeal by the friendly neighbors and collaborators with Japan in the work of the League of Nations."

2. In the House of Commons Sir John Simon stated in reply to a question as to the killing of the two British naval ratings on duty at Shanghai:

"From the direction of the shells it seems almost certain they were fired from Chinese guns. His Majesty's Minister has accordingly addressed a note to the Chinese Minister for Foreign Affairs calling his attention to these facts and requesting that strict instructions be issued to the Chinese military authorities with a view to preventing any possible recurrence of such incidents and reminding His Excellency that His Majesty's Government must in this unfortunate conflict between China and Japan hold each side responsible for any loss to British life and property that may be caused by their respective armed forces." (. . .)[67]

"We have information from Shanghai that a meeting was to take place this morning between representatives of the Chinese and Japanese military authorities. (. . .)[67] The meeting was largely brought about through the efforts of our own Minister, Sir Miles Lampson."

Official texts of these two statements by pouch.

My urgent cable 76, February 19, noon, follows.

ATHERTON

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[67] Omission indicated in original telegram.

793.94/4307 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 19, 1932—noon.
[Received February 19—10:15 a.m.]

76. Lord Hailsham's statement in the House of Lords, reported in my telegram 75, February 19, 11 a.m., describes the decisions reached in the Cabinet meeting Wednesday morning[68] adopting alternatives set forth in paragraph No. 3 of my 72, February 17, 1 p.m.[69] I have reason to believe Sir John Simon personally did not desire to make this statement and let Hailsham (the apotheosis of die-hard Tory opinion which considers that since 1922 Great Britain's influence in the Far East has declined to the low ebb of China's threatened unilateral denunciation of extraterritoriality last year) set forth the decision of that Tory portion of the Cabinet committee debating the Far East situation with Prime Minister (see my telegram 70, February 16, 8 p.m.). I have reason to believe the immediate policy the British Government will follow is that outlined in paragraph No. 4 of my telegram 72, February 17, 1 p.m.

I understand from a usually well-informed source that the Cabinet deliberations envisage the situation may develop something as follows: In the next few days Japan's armed strength will force the issue in Shanghai. Consequently for the immediate moment all British efforts must be concentrated towards the safeguarding of British life and property and it is for this purpose Sir John Simon made his statement in the House of Commons last night, set forth in my 75, February 19, 11 a.m., serving notice on both China and Japan. (Indeed my informant states that Sir Miles Lampson arguing for Chinese troop withdrawal the day before yesterday pointed out to Nanking Government if Chinese did not withdraw from the Shanghai area and attacked the Japanese forces, the obvious consequences of Chinese shell fire must be the destruction of international property, for which they would be held responsible.) This Shanghai situation will have more clearly resolved itself by early March when it is contemplated here the League Assembly may meet, at which time, if another even more serious situation has not arisen, according to views now expressed here, the ultimate verdict of the League will be no more than a formal pronouncement that no League member can recognize any advantages claimed by Japan brought about by the violation of existing contracts or treaties. I may add in this connection that in view of the treaty engagements of the United States, satisfaction is expressed here that

[68] February 17.
[69] Not printed.

the last League appeal specifically made reference to the Pact of Paris and the Nine-Power Treaty.

In view of the discretion granted me by you in our telephone conversation of yesterday I venture to suggest for your consideration you may wish to send for Sir Ronald Lindsay and ask if you correctly interpret the British Government's policy as set forth by Hailsham and reported by me and delay any further instructions to me until you have received the British Ambassador's reply.

I shall take no action in regard to the delivery of your amended draft (Department's 70, February 18, 10 p.m.) until I have further instructions from you.

ATHERTON

793.94/4290 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 19, 1932—noon.
[Received February 19—8:25 a.m.]

29. The French delegation informs me that they are advised that Johnson has instructions not to cooperate at Shanghai in the endeavor to arrange an armistice. On the contrary the British information, though not so recent, is to the effect that Johnson is cooperating. Please inform me as to facts if convenient.

General impression here is that efforts for the moment should be concentrated on obtaining an armistice but that the distance of neutral zone, 20 kilometers, demanded by the Japanese is exorbitant and Japanese should be pressed to reduce it to reasonable distance, perhaps 1 kilometer.

WILSON

793.94/4300 : Telegram

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

SHANGHAI, February 19, 1932—noon.
[Received February 19—10:20 a.m.]

76. My 55, February 15, 5 p.m. Reply dated February 16 has been received addressed to the American Consul General and stating *inter alia*:

"Inquiries made in this connection at the headquarters of the Japanese 3rd Fleet have revealed that as for the machine-gun firing, the Japanese aviators did it due to their misconception that the spot where they used their machine gun was located outside of the defense

area of the American forces, while as to the bombing, the shells accidentally dropped without the knowledge of the aviators due to a defect in the bomb rack of their aeroplane.

However, the Japanese naval authorities desire me to express to you their sincere regret for the incident and to inform you that most strict precautions will be taken in the future in order to avert danger to life and property in the Settlement."

CUNNINGHAM

793.94/4294 : Telegram

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

SHANGHAI, February 19, 1932—1 p.m.
[Received February 19—6:20 a.m.]

My February 18, 8 p.m., and February 18, 11 p.m.

1. I have just met with my British and French colleagues, British, American and French Admirals being present and we discussed the situation. We agreed that we should avoid any action which would result in firing by our forces upon Chinese unless a direct and systematic attack on the International Settlement should be made.

2. It was agreed that military officers of the three countries and Italy should call upon Chinese military commander this afternoon to invite his attention to the landing of shells in the Hongkew area last night in the neighborhood of Japanese Consulate and state that we must hold Chinese responsible for damage to foreign life and property.

3. British, American, Italian and French Consuls General have arranged to visit Mayor this afternoon to make oral representations similar to those to be used with the military.

4. I am meeting with my British, French and Italian colleagues this afternoon for the purpose of calling with them upon the Japanese Minister at 3 o'clock with a view to calling his attention to the danger that will accrue to private life and property in Hongkew and adjacent areas due to proximity of Japanese military activities.[70] We will discuss beforehand what we are to say. My inclination is as outlined in my February 18, 8 p.m.

5. It occurs to me that our Governments should also make representations at Tokyo. Japanese argue they are defending Settlement against Chinese attack; that they have right to land forces in International Settlement for the purpose of protecting Japanese life and property.

6. Fact is that International Settlement is not being attacked by Chinese.

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[70] For the Minister's report, see telegram of February 19, 1932, 1 [5] p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 197.

7. It is true that Japanese life and property is in danger. This is due to the fact that Japanese are pursuing policy here in Shanghai and elsewhere in China with which we have neither sympathy nor part. We certainly are not interested nor have we any sympathy with policy of demilitarization indicated in Japanese demands of last evening and I believe that the United States alone, or in conjunction with Great Britain and France, should publicly dissociate itself from such a policy.

8. With reference to Department's telegram February 12, midnight, I have not been able to interest British Minister in question of such a statement chiefly because I have had little opportunity to see him alone in the present crisis here. I shall pursue the matter further, however, with a view to getting him to recommend such a step to his Government.

9. It occurs to me that the Department should consider whether it should not lodge with the Japanese Government a warning that we must hold Japanese Government accountable for all damage done to American life and property in this area. I gather that considerable damage has been suffered by American property and there is danger that a great deal more will be damaged or destroyed before this is over.

JOHNSON

793.94/4319 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 19, 1932—1 p.m.
[Received 2:10 p.m.]

30. Yen requested an immediate meeting of the Council in view of the Japanese ultimatum.

Sweetser reports in regard to a private meeting of the Twelve held this morning that the jurists have reported that Japan's contention is untenable when they claim that China's convocation of the Assembly is invalid. The Assembly will, therefore, be called—date not yet fixed—perhaps in 2 weeks in consultation with interested parties. The most important pending question which was referred for study to a group of jurists was whether the Council would be immediately relieved of its jurisdiction of the dispute on its convocation of the Assembly or whether it would continue to exercise its jurisdiction up to the moment of the meeting of the Assembly. The jurists will report to the private meeting this afternoon but it is quite clear that a considerable irritation has been created among the members of the Council particularly the British and French as to China's request for transfer

of jurisdiction. Another private meeting of Twelve will be followed by public session this afternoon.

WILSON

793.94/4298 : Telegram

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

SHANGHAI, February 19, 1932—3 p.m.
[Received February 19—9:35 a.m.]

78. My telegram No. 19, February 9, 10 a.m. Senior Consul has had reply from Japanese dated February 17th to letter of February 8th regarding flight of military airplanes over the Settlement. Reply acknowledges receipt of letter of February 8th and states:

"In compliance with your request, the purport of your letter has been duly notified to the Japanese authorities concerned who in reply have informed me that, as strict instructions have been given to Japanese aviators to refrain from flying over the Settlement, the practice will naturally be discontinued in the future, unless it is absolutely impossible for the defense of the Settlement and for the protection of Japanese lives and property."

This is not as satisfactory as the oral assurance given to Admiral Taylor reported in my telegram No. 37, February 12, 3 p.m.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4299 : Telegram

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

SHANGHAI, February 19, 1932—5 p.m.
[Received February 19—9:50 a.m.]

80. It is becoming increasingly apparent that Chinese troops will not withdraw. Hostilities on a larger scale than heretofore are possible within next day or two in which case shells may land in Settlement, particularly in Yangtzepoo and Hongkew areas. I have advised Americans in those areas to take cover as far away as possible while firing is in progress and to seek places of greater safety and have urged that women and children be transferred to places of greater safety either this afternoon or tomorrow morning. News items in the

foregoing sense will be published in afternoon papers February 19th and morning papers of 20th.[71]

Repeated to the Legation, Nanking and Tokyo for information.

CUNNINGHAM

793.94/4414

The Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation[72]

[NANKING,] February 19, 1932.

In spite of the peace mediation participated in by the British, American and French Ministers in Shanghai, the Japanese Commanders delivered last night an ultimatum to General Tsai Tin-kai and Mayor Wu Te-Chen embodying demands which are intolerable and utterly unacceptable. There is now practically no hope for peace, and the American Government is urgently requested to act in dealing with the situation.

793.94/4414

Memorandum by Mr. Ransford S. Miller of the Division of Far Eastern Affairs of a Conversation With the First Secretary of the Chinese Legation (Kung)

[WASHINGTON,] February 19, 1932.

I told Mr. Kung in reply to his direct question that while I was not in a position to give him more definite information I could assure him that our own government, together with the others interested, were doing everything in their power to effect a peaceful settlement; and that our representatives at Shanghai, who were in immediate touch with the situation there, I was sure were, together with the other representatives, working desperately hard to bring about some understanding as was indicated in his telegram.[73] I said that, however, as their attempts appeared to have failed the prospect of avoiding a major conflict did not appear to be very hopeful at the present moment.

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[71] The Department replied in telegram No. 44, February 20, 1 p.m., that it "approves action taken."

[72] Translation of telegram handed to Ransford S. Miller of the Division of Far Eastern Affairs by the First Secretary of the Chinese Legation, February 19, 1932.

[73] *Supra.*

793.94/4290 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 19, 1932—1 p.m.

17. Your 29, February 19, noon. Johnson has no instructions not to cooperate. He was given instructions on February 10 to concentrate on the problem of protecting the International Settlement; and on February 12 that this Government would approve in principle any effort that any agency might make toward bringing hostilities to an end. It is the Department's understanding that Johnson is cooperating.

So inform French inquirers and any others.

Department concurs in the view that effort for the moment should be concentrated on obtaining an armistice and in the view that the Japanese demand of the 20-kilometer neutral zone is exorbitant. In our view, the purpose of a neutral zone should be to separate the Chinese and Japanese combatant forces, in connection with the objective of terminating hostilities and ensuring against renewal.

STIMSON

793.94/4310 : Telegram

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

WASHINGTON, February 19, 1932—2 p.m.

36. For the Minister and the Consul General. Reference Minister's February 18, 11 p.m., in regard to Japanese ultimatum, and Minister's telegram of February 18, 8 p.m., sent from U.S.S. *Houston*, last sentence.

1. Department approves the Consul General warning Americans residing in Hongkew to avoid places where danger of shelling exists.

2. Although it has not been and is not Department's policy to evacuate American nationals from Shanghai or to discuss possibility of evacuation short of a state of extreme emergency, Department assumes that all practicable measures are being taken (*a*) for removal of Americans from endangered regions and (*b*) for possible ultimate evacuation, in case it should become necessary, from Shanghai. Please telegraph what arrangements have been made or are under discussion and what steps the authorities of other countries have taken or are discussing.

STIMSON

644591—48——32

793.94/4318 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, February 19, 1932—6 p.m.
[Received February 19—2:35 p.m.]

77. Foreign Office sent for me this evening to inform me of a cable just received from Lampson that in view of the danger to property and lives from shell fire in Settlement British Minister had "on his own initiative" joined with his American and other colleagues in representations to Chinese and Japanese authorities at Shanghai reserving all rights in claim to damages caused inadvertently or otherwise by their respective military operations.

Vansittart informed me immediately on receipt of this cable Foreign Office telegraphed Lampson approving his action and that Sir John Simon was anxious you should know at once of this Anglo-American cooperation under approval of the Foreign Office, which so nearly coincided with the draft declaration referred to in your 62, February 15, 6 p.m. Vansittart pointed out draft declaration was only addressed to the Japanese, and as he had stated to me on Tuesday last was not considered opportune.

ATHERTON

793.94/4320 : Telegram

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

SHANGHAI, February 19, 1932—6 p.m.
[Received February 19—2:48 p.m.]

81. Continuing my daily report 72, February 18, 6 p.m.

1. The situation in Chapei sector continues relatively quiet with the exception of occasional bursts of artillery, machine-gun and rifle fire. Good visibility makes possibilities for the Japanese aeroplanes to attempt to reconnoitre the Chinese gun emplacements. The Japanese are busy bringing up heavy artillery for the coming battle. The ultimatum is expected to expire at sunset tomorrow night. It is reported that the Chinese authorities are drafting their reply which will amount to a Chinese refusal. Drawn up to resist the Japanese attack are four and a half divisions of regular Chinese troops in addition to a regiment of the tax police altogether approximately 50,000 troops. These comprise the 60th, 61st and 78th Divisions of the 19th Route Army and the 87th and 88th Divisions of the Emergency Corps.

2. Projectiles still continue to fall in the area of the International Settlement.

3. The total number wounded Chinese admitted to hospitals in Shanghai is 1,210.

4. General Tsai Ting-kai is reported to have stated that the ultimatum cannot possibly be accepted and that he was considering warning Chinese women and children to evacuate danger zones within and without the Settlement. He requested newspapermen to give a warning to foreign nationals resident in danger areas within and without the Settlement to evacuate immediately since return fire would be directed to the apparent source thereof no matter where that source was and that the Chinese Army to this extent could no longer consider the Settlement a neutral area.

Repeated to the Legation, Nanking.

CUNNINGHAM

793.94/4316 : Telegram

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

SHANGHAI, February 19, 1932—7 p.m.
[Received February 19—2:36 p.m.]

82. My telegram No. 75, February 19, 11 a.m. Following is translation of Japanese ultimatum delivered to General Tsai Ting-kai February 19 [*18*], 9 p.m., text was released by Japanese Consul General this afternoon.

"Prompted by my earnest desire to perform my duties by peaceful and friendly means, I hereby present to you the following articles:

1. Your forces will speedily cease all hostile actions, and complete the evacuation of your first line before 7 a.m. on February 20, and by 5 p.m. on February 20th, you shall have completed the evacuation of the entire area to a depth of 20 kilometers north of the following lines, including the Szetselin forts, namely, to the west of the Huangpoo River, draw a line from the northwest point of the International Settlement, through Tsaochiadoo and Chowchiachaoo to Poosungchen, and to the east of the Huangpoo River a line from Lannidoo to Changchiachaoo. All fortifications and military works to be completely removed in the evacuated area, and no new ones to be erected.

2. Japanese troops shall not attack or bomb or chase Chinese troops once they have begun evacuation. This, however, does not prevent aeroplanes from being sent out on preservation [*observation?*] duty.

Japanese troops shall, after the evacuation by Chinese troops, maintain only the Shanghai Municipal roads area adjacent to Hongkew including the Hongkew Park.

3. Japanese troops shall, after the evacuation of the first line by Chinese troops, send to the evacuated area investigators guarded and protected by Japanese soldiers. The said investigators shall carry Japanese national flags for the purpose of identification.

4. Chinese troops shall assume full responsibility for the safety of life and property of Japanese people outside of the evacuated area, failing which the Japanese shall take necessary steps. With regard to plain-clothes men they are to be effectively suppressed.

5. As regards protection for foreigners in the vicinity of Shanghai, including the evacuated area, the matter will be dealt with subsequently.

6. With reference to the anti-Japanese movement the promise of Mayor Wu as declared on January 28 must be strictly enforced. Relating to this clause the matter shall be dealt with by diplomatic negotiations between Japanese Foreign Office and civil administration official (Chinese) Shanghai.

Unless the above articles are complied with Japanese troops will be compelled to take free action in which event Chinese troops must be responsible for all the consequences resulting therefrom. Signed, Uyeda."

2. A similar note was sent by Japanese Consul General to Mayor Wu with following addition.

"In this connection I wish to state that, as has been pointed out in my note of the 15th instant, I regard that the present actions of the 19th Route Army are due to the lack on our [*your*] part of the intention and ability to effect immediate dissolution of the anti-Japanese organizations and suppression of all anti-Japanese movements as was promised in your note of the 28th of January in reply to my note of the 20th of January. I once more request that you carry out immediately and perfectly what you have undertaken in your above said note.

I shall watch with deep concern how the aforesaid terms for the withdrawal of the Chinese troops will be carried out. Should they fail to be carried out satisfactorily, the Japanese authorities would be obliged to take such measures as they think proper, and the whole responsibility for any possible consequences must be borne by you."

Repeated to Legation and Nanking.

CUNNINGHAM

793.94/4313 : Telegram

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

SHANGHAI, February 19, 1932—8 p.m.
[Received February 19—1:55 p.m.]

Captain Mayer together with British Military Attaché and representatives of French and Italian forces called on General Tsai Ting-kai to protest against Chinese artillery fire into Yangtzepoo and to request that he refrain from further fire in that direction. Tsai stated fire was in reply to Japanese artillery fire from Settlement area and that he would definitely refrain from such fire tonight and if assured by neutral observers and his own investigators that no Japanese artil-

lery was in position in Settlement area he would never again fire there. He asked whether, if Japanese wished to use neutral defense areas or Soochow Creek in front of neutral defense areas as a position from which to attack Chinese, the neutral powers would prevent the Japanese. I have referred these questions to the commander in chief.

JOHNSON

793.94/4317 : Telegram

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

SHANGHAI, February 19, 1932—10 p.m.
[Received February 19—2:11 p.m.]

83. The following are believed to be the texts of the replies of Mayor Wu to the Japanese Consul General and of General Tsai to General Uyeda. The first from Wu to Japanese Consul General has been confirmed by the Japanese Consulate. Mayor to Japanese Consul General:

"I have the honor to acknowledge the receipt of your letter of February 18 the contents of which I have noted. In reply I have to state that the grave situation in Shanghai is due to the presence of your troops in violation of all international law but your Government will bear full responsibility I have repeatedly emphasized in previous letters. I do not deem it appropriate to transmit the terms contained in your letter to our Ministry or do as requested. Inasmuch as the measures called for in your letter have a direct bearing on the general relations between China and Japan they should be dealt with by the diplomatic authorities of the two countries concerned. I have accordingly submitted your letter to my Government for consideration and for reply to His Imperial Majesty's letter [*Minister*] through our Minister [*the Ministry*] of Foreign Affairs. I have to point out, however, that as acts of provocation by attack, bombing and bombardment, continue intensified, the indignation of our people remain united. Under the circumstances it is natural that anti-Japanese measures cannot fail to continue. The responsibility rests with you."

General Tsai to General Uyeda:

"I have noted the contents of your letter of 9 p.m., February 18: In reply I have to state that the troops under my command are an integral part of the Army of the Republic of China by whose orders alone all activities are directed. I have, therefore, submitted your letters to my Government for consideration. Our Minister for Foreign Affairs will in due course communicate with His Imperial Japanese Majesty's Government [*Minister*] in the premises."

Repeated to Legation.

CUNNINGHAM

793.94/4322 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 19, 1932—10 p.m.
[Received February 19—6:32 p.m.]

31. Memorandum follows by Sweetser of private meeting of the Twelve which preceded the public meeting this afternoon:

Memorandum. The Twelve held a long private meeting before the public session this afternoon to decide on the resolution to be adopted concerning the convocation of the Assembly, the declaration to be made by the President and the general program to be followed in the discussion.

Apart from the considerations which developed at the public session later, one special point may be noted. Madariaga suggested, in order to give the session real substance, that a definite program be adopted for assuring a united moral front. One of the possibilities, he urged, was that the United States be invited to associate itself openly with the League's work. The difficulties at Shanghai, he understood, had been increased by a lack of united action while in general there did not seem to him a sufficient cohesion between Washington and Geneva. He thought, therefore, the American Government should be formally invited to act with the League.

Drummond did not think the time had come for such action. He thought the whole situation was undergoing a change with the convening of the Assembly. At that time consideration might be given to inviting not only the United States but other nonmember states represented at the Disarmament Conference. The situation in 10 days' time would be entirely different from what it is today. In the meantime great caution should be used in connection with any new steps.

Londonderry agreed with Drummond. He felt strongly that the Council had done all it was capable of doing at the moment through its appeal. He went even further to say that if the Council attempted more at this moment it would run the risk of prejudging the situation and bringing in an indictment before it had the full facts.

WILSON

793.94/4321 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 19, 1932—10 p.m.
[Received February 19—9 p.m.]

86. The Council met in public at 5:30 this afternoon[74] and in a very tense atmosphere continued in session until 9:30. The chief feature was as follows:

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[74] For minutes, see League of Nations, *Official Journal*, March 1932, pp. 361-372.

The Chinese representative spoke first and declared that the Japanese ultimatum for the Chinese troops to withdraw to 20 kilometers from Shanghai had not and could not be accepted by China, and that by the terms of that ultimatum the Japanese forces would thus attack at 7 a.m. tomorrow which was midnight tonight Geneva time. The disposition and numbers of the opposing forces presaged a battle on a large scale. He placed this impending catastrophe immediately in the hands of the Council.

Boncour appealed to the Japanese to extend the time limit of the ultimatum. All the members of the Council except the representative of China supported Boncour in this appeal.

Sato rejoined by suggesting this appeal should also be made to China as one of the parties to the conflict.

This Boncour refused to do stating in substance that it was Japan which had delivered the ultimatum and that it was the ultimatum on which the matter now turned (it will be observed that in these he held to the spirit of the Council's appeal of February 16th which was addressed solely to Japanese. See Wilson's 24, February 16, 8 p.m., and 25, February 16, 9 p.m.)

Sato agreed to communicate this appeal immediately to his Government.

The members of the Council which had representatives in Shanghai were urged to communicate a similar appeal to Japanese through their representatives there.

Both Boncour and Drummond came to me after the meeting and asked that I inform you of this appeal and to convey to you their hope that you would find it possible to take similar action.

At this meeting Council also unanimously adopted a resolution convoking the Assembly to meet March 3rd.

Full report of meeting follows.[75]

GILBERT

893.102 S/929

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

No. 8126 SHANGHAI, February 19, 1932.
[Received March 12.]

SIR: I have the honor to transmit a sketch[75] which might furnish a basis, should occasion arise, of a proposal by which many questions that have threatened the existence of the International Settlement for

[75] Not printed.

some years past would be eliminated, and any future invasion, under the guise of defence of the Settlement, by any power for the purpose of carrying on a military campaign against the Chinese would be prevented. The particular object in transmitting this outline at the moment is to place it in the files of the Department so that it may be referred to economically by cable should occasion arise.

Mr. Justice Feetham in his report on Shanghai[77] suggested that a charter might be procured from the Chinese Government, and therefore the word "charter" is well established in correspondence with reference to some form of municipal government for Greater Shanghai. This outline has been carefully prepared and has been favorably considered in principle by quite a few people. I look with considerable favor upon the proposal myself, generally speaking. I would not call the new administration the "Free Port of Shanghai," preferring to use the title "Greater Shanghai."

Things are happening so rapidly now that I am constrained to believe that an occasion may arise when such a proposal might be opportune. More than a fortnight ago I suggested that such a proposal should be made by the Chinese Government, and this seemed to be viewed with some favor for a few days. However, there is no chance at the present time of the proposal being made by the Chinese Government, and whether there will be in the future remains to be seen. The person responsible for this outline considers that it would be most desirable for the American Government to propose a scheme of this character for the settlement of all questions relative to this great port of Shanghai.

It is not improbable that before this despatch is received it may be considered desirable to cable a general outline,—I do not know, everything depends upon developments and opportunities. The Department is aware that I have spent a good many years endeavoring to find some solution for the various questions that concern the Shanghai Municipal Council, including the extra-Settlement roads and concomitant questions.[78] Some of those interested in this scheme at one time suggested that certain officers should be appointed by the League of Nations. This is no longer in favor locally, since the League of Nations is out of favor at the present time in Shanghai, and therefore they have substituted the Permanent Court of Arbitration at The Hague.

Respectfully yours, EDWIN S. CUNNINGHAM

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[77] *Report of the Hon. Richard Feetham . . . to the Shanghai Municipal Council*, in 4 volumes (Shanghai, North-China Daily News and Herald, Ltd., 1931–32).

[78] For further correspondence on Shanghai matters, see pp. 89 ff.

793.94/4332 : Telegram

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

SHANGHAI, February 20, 1932—10 a.m.
[Received February 20—8 a.m.]

84. The mask has been discarded as the last Japanese pronouncement, that is the ultimatum, has not as yet been officially communicated to the Shanghai Municipal Council which is primarily responsible for the defense of the Settlement. The Japanese officials have previously emphasized that its military activities were in defense of its nationals and the Settlement and have invariably deposited a copy of the demands made upon the Chinese with the Municipal Council. To evaluate the local status between the Japanese and Chinese upon the issuance by the Japanese of the ultimatum to the Chinese military authorities that they must evacuate the first line at 7 a.m. on the 20th, and completely evacuate to a radius of 20 kilometers by sundown on the same day: that such a demand was to be made as soon as the Japanese had a force adequate to carry on an offensive has been apparent to all for some time. Japanese [Army?] can choose its own time for the offensive and with reenforcements arriving daily it will not delay very long. It is possible that the rumor to the effect that hostilities began at Woosung at 7:40 o'clock today is correct. The attack is imminent. On the Chinese side is the 19th Route Army which is greatly encouraged by surprising but encouraging victories and the further successful defense for 22nd [day?] has given them complete confidence in the Army's ability to resist the invaders. They are confirmed in the feeling that they are performing a patriotic service by their fellow Cantonese as well as by a very large percentage of local Chinese residents and further by the very substantial financial support which is being received from their fellow countrymen from overseas. Even the substantial local businessmen are not so strong in their protestations as they were 2 days ago that a stand is but a lead to certain defeat. So aroused are these local substantial businessmen by the impudent demands of the invader that even the businessmen are not so strong for withdrawal as they were. Therefore, I believe there will be a battle to a decision and this may occur at any moment. The Settlement is certain to suffer but to what extent cannot be anticipated. The Shanghai Municipal Council is being strongly supported by interested members of the consular body and one can hope that nothing more serious will occur south of the Soochow Creek than an occasional misdirected shell. It is a matter of great regret that though Hongkew and Yangtzepoo districts are in the Settlement they are being used by the Japanese forces for military

purposes unconnected with the defense of the Settlement and this is such a just provocation to the Chinese that it is certain these districts will be seriously damaged notwithstanding the strong diplomatic and consular protestations to both disputants to prevent operations from being carried into the Settlement. It is not believed there is any doubt as to the immediate result of the Japanese military offensive. Even a layman must feel that the result will be in favor of the Japanese.

Repeated to the Legation [and?] Nanking.

CUNNINGHAM

793.94/4331 : Telegram

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

SHANGHAI, February 20, 1932—1 p.m.
[Received February 20—9:30 a.m.]

Japanese attack commenced 7:30 a.m., firing has been going on since 9 o'clock.

My British colleague has made a last appeal to the Japanese to know if there is any chance of good offices with a view of settlement. Japanese Minister informed him matter now in hands of military and beyond his control, but that he was very anxious to find some way out and thought perhaps after first fighting a chance might offer. British colleague and myself are watching situation closely. We will not leave until we feel sure no further efforts on our part possible.

JOHNSON

793.94/4290 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 20, 1932—1 p.m.

18. With further reference to your No. 29, February 19, noon, and Department's No. 17, February 19, 1 p. m. Recent advices from Minister Johnson at Shanghai, one dated as late as February 19, 5 p. m.,[79] show that Johnson is constantly and actively cooperating with his British, French and Italian colleagues in all matters of

[79] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 197 (time therein was erroneously given as 1 p.m.).

common interest. See also Department's telegrams to you No. 9 [*11?*] of February 11, 3 p. m., and No. 16 of February 16, 3 p. m.

The Department has observed in the period since September 18 last that a great many false or misleading reports with regard to the attitude and/or action, positive or negative, of the American Government and its representatives in connection with Far Eastern questions and in relation to cooperation with the League have apparently been circulated in or have issued from Geneva.

It is suggested that whenever you receive from any authoritative source reports of the nature of that referred to in the first paragraph of your telegram under reference you might safely, and upon your own initiative, before reporting same to Department, counteract the false impression which such reports, whether of deliberate intent or otherwise, may tend to create.

STIMSON

793.94/4342 : Telegram

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

SHANGHAI, February 20, 1932—6 p.m.
[Received February 20—1:50 p.m.]

90. Your telegram No. 10, February 10, 11 a.m. My reply to Mayor's letters of February 8th regarding responsibility of each side for damages was sent February 13th and British reply February 15th.

2. At consular body meeting February 17th French Consul General proposed that in addition to individual replies Senior Consul should send a reply on behalf of consular body. This was acquiesced in and a reply was sent by me as Senior Consul February 18th.

3. Following is text of letter dated February 20th sent by Senior Consul to Japanese Consul General regarding landing of Japanese forces in Settlement:

"With regard to the disembarkation of Japanese naval and military forces which has taken place in the International Settlement, I have the honor at the desire of my interested colleagues to protest against the use by those forces of the International Settlement as a base or channel of military operations unconnected with the defense of the Settlement."]

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4296 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 20, 1932—2 p.m.

19. Your 28, February 19, 11 a.m.[80]

1. On February 16 I received from our London Embassy the observations offered by Sir John Simon relating to the draft declaration the tentative text of which was sent you for communication to Sir John Simon in the Department's 11, February 12, 2 p.m.[81] The Embassy is being instructed to repeat to you their telegram to the Department in which Sir John's observations were reported.

2. In the meantime I have revised the draft so as to conform entirely to Sir John's suggestions and have sent this revised draft to the Embassy, together with a statement of my reasons why I thought it was most important that any action taken under the Nine Power Treaty should be taken at least by the United States and Great Britain. I am instructing London to repeat to you what I said to them on this subject.

3. I informed the Embassy that I recognized that the situation was delicate and that I wished the Embassy to have this draft ready for use but not to present it until given further instructions; and that if a discussion of the subject came up they might say that I felt that in the existing circumstances the United States ought not to take this proposed action alone.

STIMSON

793.94/4321 : Telegram

The Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, February 20, 1932—3 p.m.

40. Your 86, February 19, 10 p. m. Inform Drummond and Boncour that this Government is in entire sympathy with the endeavor of the Council to have the time limit of the ultimatum extended but that, as hostilities have now begun it would be useless for this Government to take similar action.

STIMSON

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[80] Telegram reads: "According to Geneva reports Simon will return from London at the beginning of next week. It would be helpful if you could give me before his return for my confidential guidance an understanding of what has taken place or is contemplated."

[81] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 80.

793.94 Commission/118a : Telegram

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

WASHINGTON, February 20, 1932—5 p.m.

43. Reference Department's February 5, 6 p.m. In response to a request received from the Secretary of the Council of the League[82] the Department desires that you continue to cooperate with the League Shanghai Committee in preparing as soon as possible a report on present events. You should follow the procedure indicated in the Department's previous instruction above referred to. Report action taken, and repeat to Nanking.

Inform Minister.

STIMSON

893.01 Manchuria/5 : Telegram

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

PEIPING, February 20, 1932—6 p.m.

[Received 11:41 p.m.]

257. Following from American Consul General at Mukden:

"February 19, 3 p.m., supplementing my telegram of February 19th, 1 p.m.,[82] it is evident that the program which was carried out during the last few days was prepared and dictated by the Japanese military. Actually the situation has not been altered by the declaration of independence except in that it is admittedly a preliminary step in the creation of a new state. Whether this commission will form the new state will depend no doubt on the extent of Japanese pressure. In this connection an influential Japanese has expressed the opinion that its formation will require some time. The whole proceedings of the past few days have been characterized by a desire to avoid definite commitments and also appearance of a trial balloon.

According to reliable and confidential information the Japanese have plans of taking over the Chinese customs and postal service, steps that they would take undoubtedly upon the formation of the new state. Except these two institutions, the Japanese now dominate every government department and institution in South Manchuria."

For the Minister:

PERKINS

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[82] Not printed.

793.94/4341 : Telegram

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

SHANGHAI, February 20, 1932—7 p.m.
[Received February 20—2:10 p.m.]

91. Continuing my daily report 81, February 19, 6 p.m.

1. Except occasional bursts of rifle and machine-gun fire the Chapei sector has been quiet. Last night and early this morning tanks and machine guns were moved up by the Japanese from the Yangtzepoo district via Boone to Range Road.

2. A thousand Japanese troops left for Woosung accompanied by 10 tanks. It has been reported that the Japanese forces have captured the Kiangwan Race Course and are pushing westward. The latest reports not yet confirmed are to the effect that Kiangwan Village has been taken and retaken by the Japanese. The Japanese military are apparently attempting to drive a wedge into the Chinese lines at this point. It has been reliably reported that the Japanese will attempt by this to outflank the Chinese forces in Chapei ultimately driving the Chinese troops back into the Settlement where they will be disarmed by the defense forces. The defense forces have been warned by the Japanese of this possibility.

3. Woosung has remained quiet although the Japanese have stated that operations would start today.

4. Shells continue to fall within the Settlement. The latest report at 2 o'clock was to the effect that five shells had fallen at Yenping and Connaught Roads and other shells are reported to have fallen in the Settlement narrowly missing a few foreigners.

5. The American Marine headquarters report that last evening red and green blinkers were observed to be in use on the top of the Japanese mill at Ichang Road. The Japanese were ordered to discontinue their use. An American Marine detail went into the mill office to investigate. A Japanese covered them with a pistol. He was disarmed and turned over to the police. The control board and blinker lights were demolished. A green flare and a white blinker were observed on other mills of which the managers were warned that they would be arrested if the practice was not discontinued. Last night at 7 p.m. the Japanese Consul called up and complained to this office that he heard that the American Marines intended to arrest Japanese residents of various mills. It was explained to him that certain flares had been observed on Japanese mills and that the managers had been warned that the use of these flares would not be permitted within the American lines.

6. The British authorities are requiring British vessels to wait

beyond Woosung until they receive requests from their agents to come in. Admiral Taylor does not think it necessary to make any orders for American shipping for the present. He is of the opinion that all that is necessary for the time being is to inform all agents of shipping companies that since the conditions are serious and tense they should watch developments as closely as possible and use their best judgment.

7. Shipping companies state that they are diverting, upon request of consignees, large quantities of cargoes to nearby ports. They do not expect to receive any more heavy cargo such as cotton bales or other merchandise during the present crisis. Only a small percentage of merchandise landed is being accepted by the consignees. Although most of the merchandise is consigned to foreign firms, these firms have in turn been in the habit of giving demand orders on their cargo direct to their Chinese customers. At present many Chinese customers have closed their offices. There is nothing better to do for the consignee than to ignore the consignment. If he has possession he will have to take out 5 percent a month for war-risk insurance whereas storage charges are most advantageous and all responsibility is thus off his hands. Japanese warehouses are practically empty, they are anxious to rent space but unable to obtain coolie labor.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4344 : Telegram

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

SHANGHAI, February 21, 1932—11 a.m.
[Received February 21—5:50 a.m.]

Your 37, February 19, 5 p.m.[84]

1. I am at a loss to explain French information at Geneva.[85] French Minister, British Minister and I meet daily and exchange information and views. I have stated quite frankly to both that I did not care to be party to imposition of Japanese terms upon Chinese however willing local Chinese might be to accept such terms under foreign advice. My British colleague agrees with me in this attitude.

2. My British colleague went farther than I was willing to go in arranging a meeting between Chinese and Japanese military representatives at which in spite of specific promise to contrary, made to Lampson by Shigemitsu, Japanese military presented what really

[84] Not printed.
[85] See telegram No. 29, February 19, noon, from the Minister in Switzerland, p. 392.

amounted to an ultimatum. French Minister has taken little or no part in these matters except that when we are [*sic*] called on Shigemitsu on 19th he did make a final appeal to Japanese to know whether there might be still some hope. We all joined but got no reply.

3. British Minister and I are remaining in hope that there may occur an opportunity to do something and we proposed to leave together.

4. Your 41, February 20, 2 p.m.[86] Department's instructions will be complied with.

JOHNSON

793.94/4345 : Telegram

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

SHANGHAI, February 21, 1932—noon.
[Received February 21—6:04 a.m.]

1. Japanese appear to have made little or no advance since beginning of drive at 7:30 morning of 20th. They are using all forces at their disposal and are apparently burning everything in their path including farmhouses.

2. In pronouncements here Japanese are emphasizing the point that they are fighting for the prestige of the West in Asia. In conversation which I had with Matsuoka yesterday he said that Japan would get out of Shanghai "mess" if she could with honor but knew no way out, that she could not afford defeat and in any case could not leave European nations in the lurch by retiring in the face of Chinese force.

JOHNSON

793.94/4348 : Telegram

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

SHANGHAI, February 21, 1932—noon.
[Received February 21—9:10 a.m.]

93. Referring to Department's telegram No. 36, February 19, 2 p.m.

1. Outline plans for possible evacuation of Americans from Shanghai were begun 2 weeks ago and are well in hand. A central committee of leading American citizens is functioning quietly. Every effort is being made not to create panic yet have plans ready for any eventuality. City has been divided into 13 districts, with captain in charge

[86] Not printed.

of each district. Major Bassett, head of central committee in 1927, is again chairman.

2. Three district captains have already been useful in advising Americans to evacuate Hongkew and Yangtzepoo.

3. Concentration centers for Americans are the American Club, Foreign Y.M.C.A. and Navy Y.M.C.A. The Dollar Steamship Company and other American shipping firms are being asked to hold ships in readiness to receive women and children in case of extreme emergency. If conditions justify, it is proposed to ask the Dollar Steamship Company to modify sailing schedules so that one of its ships will always be in harbor. It is reported the American Navy U.S.S. *Chaumont* now in harbor can care for 2,500 persons.

4. The Shanghai Municipal Council has a central organization for possible evacuation of all foreigners from Shanghai. The American committee is working in closest cooperation with the municipal organization. The commander in chief of the American forces is being strictly informed at all times.

5. The British scheme begun February 18th is similar to ours. Other nations have local committees working quietly.

6. It is gratifying that the Department's policy is not to evacuate short of extreme emergency, as I like to regard the plans as only of precautionary character.

Repeated to the Legation.

CUNNINGHAM

793.94/4346 : Telegram

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

SHANGHAI, February 21, 1932—2 p.m.
[Received February 21—8:45 a.m.]

94. Referring to my telegram No. 90, February 20, 6 p.m., paragraph 3, regarding protest by Senior Consul on February 20th against use by Japanese forces of International Settlement as a base or channel of military operations. This action by consular body was proposed by French Consul General as a result of my conversations with him under Department's 22, February 13, 2 p.m.

Not repeated to the Legation.

CUNNINGHAM

644591—48——33

793.94/4350 : Telegram

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

SHANGHAI, February 21, 1932—5 p.m.
[Received February 21—11 a.m.]

95. Continuing my daily report number 91, February 20, 7 p.m. Except for a heavy artillery bombardment at Chapei about 1 a.m. the military situation in Shanghai has been relatively quiet. At the present moment as mentioned in paragraph 2 of my yesterday's report Kiangwan Village is the center of the Japanese military drive but up until 1 p.m. had not been captured although it was being outflanked to the north and south. The Chinese are putting up a stout resistance but will eventually have to give way in the face of the superior mechanical equipment possessed by the Japanese. The exploding of land mines by Chinese has offered considerable opposition to the advance of the Japanese tanks. The Japanese military headquarters is located at Fuhtan University behind which the Japanese 6-inch howitzers are blasting the Chinese front-line positions. It is reported that in their slow methodical advance the Japanese are burning all buildings in their path in order to destroy all hiding places for snipers.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4366 : Telegram

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

SHANGHAI, February 22, 1932—10 a.m.
[Received February 22—7:30 a.m.]

The following résumé of violations of the neutrality of that portion of the International Settlement assigned to the 4th Regiment, United States Marine Corps, has been reported to me.

1. The Japanese placed troops in cotton mills and patrols in area assigned Americans. American commander and Chinese protested. When on January 31st two Chinese men were bayoneted and on February 1st a Chinese boy shot in the American sector, on protest by American commander Japanese withdrew patrols but left mill guards.

2. January 31st 16 armed *ronins* found in American sector were arrested.

3. February 3rd firing and signaling from Japanese mill in the American sector. On protest by American commander all Japanese

mill guard troops were withdrawn from American and British sectors. This withdrawal was carried out February 4th.

4. February 18th and 19th in spite of warning there was more signaling from Japanese mills by mill employees. A search of various mills was made by United States Marines and search lights, and lanterns, arms, ammunition, et cetera, found and seized.

JOHNSON

793.94/4354 : Telegram

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

SHANGHAI, February 22, 1932—11 a.m.
[Received February 22—4:03 a.m.]

Wellington Koo came to see me yesterday afternoon. He stated that Chinese had given up all hope of amicable settlement of local trouble between Chinese and Japanese. They were now determined to fight the Japanese although they realized that the Japanese would outlast them in economic power and in material. He said that they expected present struggle to be long drawn out and asked me whether there was any chance to obtain support financial or material from the Government or private sources. He said that this question was asked in his personal capacity (I am not sure as to what Koo's official capacity is). I told Koo that I was not able to hold out hope for financial or material support from sources in the United States at this time because of business depression.

JOHNSON

893.01 Manchuria/7 : Telegram

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

PEIPING, February 22, 1932—noon.
[Received February 22—3 a.m.]

261. Following from American Consul General, Mukden.

"February 20, 6 p.m. According to a report of the Japanese press, preparations for the establishment of the new state are being carried out rapidly and its inauguration will occur at Changchun on March 1st. The report also said that Changchun will be the capital and that work on the buildings for the new government has been started. It is reported Pu Yi will be the President."

For the Minister:
PERKINS

793.94/4356 : Telegram

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

SHANGHAI, February 22, 1932—2 p.m.
[Received February 22—7:30 a.m.]

Rumors of despatch of Japanese reenforcements are becoming persistent. I hope that the Department will find it possible to instruct Embassy at Tokyo to express when reenforcements are sent they will not be landed inside Settlement area.

JOHNSON

793.94/4358 : Telegram

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

SHANGHAI, February 22, 1932—4 p.m.
[Received February 22—12:45 p.m.]

96. In accordance with decision of consular body at meeting February 17th, following letter was sent to Mayor February 18th by Senior Consul.

"I have the honor to invite your attention to the fact that several casualties have occurred in the International Settlement from shells which have fallen in this area. It is reasonable to presume that some of these missiles, particularly those discharged from anti-aircraft guns, were fired from Chinese guns, and accordingly I desire to ask that you urge, with great earnestness, upon your military authorities to refrain from firing projectiles which may cause injury and loss of life and damage to property in the International Settlement.

It is the earnest desire of my colleagues and myself that in the interests of all inhabitants of the International Settlement, the great majority of whom are Chinese, you will do your utmost to cooperate with the Settlement authorities in our endeavors to preserve the non-partisan character of the International Settlement as well as the security of life and property therein during the present crisis. You are assured that representations to this end have been made, and will continue to be made whenever necessary, to the Japanese authorities concerned."

Repeated to the Legation [and?] Nanking.

CUNNINGHAM

793.94/4357 : Telegram

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

SHANGHAI, February 22, 1932—5 p.m.
[Received February 22—12:35 p.m.]

97. Continuing my daily report No. 95, February 21, 5 p.m.

1. The Japanese drive has continued past Kiangwan Village and is approaching Tazang. Kiangwan Village is still in the hands of Chinese snipers who have caused heavy casualties to the Japanese. Japanese progress has been slow. The terrain is hooded with creeks and canals along which the snipers are lodged, greatly harassing the enemy advance. The Japanese report that their forces are about 1,500 yards north and south of Kiangwan Village which had not been captured at 11 o'clock this morning. The battle front is believed to occupy approximately 5 miles.

2. Intermittent exchange of machine guns is still taking place along the Chapei front. Numerous shells continue to fall in the Settlement.

3. Port congestion continues. The States Steamship Company's steamship *California* leaves today, 72 hours behind schedule. Stevedores, working only on day shifts, greatly retard unloading operations. Lighters also are working only on daylight shifts.

Repeated to Legation and Nanking.

CUNNINGHAM

793.94/4360 : Telegram

The Minister in China (Johnson) to the Secretary of State[87]

SHANGHAI, February 23, 1932—10 a.m.
[Received February 23—5:35 a.m.]

My telegram of February 22, 11 a.m.

1. After conversations with Wellington Koo day before yesterday and the Japanese Minister yesterday afternoon, it is my conviction that the Chinese for the moment do not wish to enter upon further discussions with the Japanese. They feel that they were more or less trapped the other day into receiving what amounted to an ultimatum when they expected negotiation. They are now determined to fight. There are indications that other military units are cooperating closely with the 19th Route Army. Chinese are enthusiastic through the fact that the Japanese have not been able to make rapid progress with their resistance.

[87] In telegram of February 23, 2 p. m., the Minister reported: "My British colleague is sending a similar message to his Government." (793.94/4365)

2. Japanese feel that their prestige is deeply involved here at Shanghai and they will not accept mediation. They are determined to continue attack until they have driven Chinese from 20-kilometer zone when they will probably request British Minister or myself or both to transmit terms to Chinese. Japanese expect operations to take at least 2 weeks and will doubtless have to call for reenforcements before they are completed.

3. Shigemitsu yesterday assured me that Japanese do not desire to acquire territorial advantages here at Shanghai. He said that Japan's one desire now as [*is?*] to get out of Shanghai "mess".

4. Does the Department wish me to remain in Shanghai indefinitely with the prospect in the end of having to consider whether or not I shall participate in transmitting Japanese terms to Chinese? I apprehend that in such contingency it may be difficult for us not to become involved in question of demilitarization of zone here.

JOHNSON

793.94 Commission/120 : Telegram

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

SHANGHAI, February 23, 1932—11 a.m.
[Received February 23—3:25 a.m.]

99. Referring to Department's telegram No. 43, February 20, 5 p.m., and in continuation of my 54, February 15, 4 p.m. Third report of League of Nations Shanghai Committee was drafted February 20.[88] Report covers arrangements for the meeting of the Chinese and Japanese military on the 18th, unsatisfactory demands of the Japanese in regard to evacuation, the delivery at 9 p.m. to the Mayor and commander of the 19th Route Army of written Japanese demands (see my 82, February 19, 7 p.m.), summary of the replies by the Mayor to the Japanese Consul General and by the Chinese commander to the Japanese commander (see my 83, February 19, 10 a.m. [*p.m.*]). The report states that no reply has been received by the Japanese forces. Final paragraph of report is only important finding which stated that "during the night 19th, 20th Japanese reenforcements were moved from their base in International Settlement to the Japanese lines and after a preliminary aerial reconnaissance which satisfied Japanese that Chinese had not evacuated their lines in conformity with demands Japanese opened attack on the 20th at 7:30 a.m. in Kiangwan and Woosung areas."

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[88] For text of third report, see League of Nations, *Official Journal*, March 1932, p. 382.

It is important to note that the Japanese reenforcements were moved from bases in International Settlement.

I concur with the report.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

893.01 Manchuria/8 : Telegram

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

PEIPING, February 23, 1932—noon.
[Received February 23—2:29 a.m.]

262. Following from American Consul General, Mukden:

"February 22, 10 a.m. Referring to my despatch of December 20. According to confidential information received by my French colleague, a meeting of Japanese officials and military was held here early last week at which the military proposal to establish a monarchy forthwith with Pu Yi as Emperor was adopted but that instructions were received from Tokyo on the 17th counselling delay. It is now planned according to the same information to inaugurate the new state as a republic by the end of the month with Pu as President and later change it into a monarchy."

For the Minister:
PERKINS

493.11 Shanghai/12 : Telegram

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

SHANGHAI, February 23, 1932—3 p.m.
[Received February 23—10:50 a.m.]

100. Since commencement of hostilities in and about Shanghai considerable American property has been damaged. Some of this damage has been brought about by direct military action and some through the lack of protection in those areas in which Municipal Police were unable to exercise their police powers. In each case in which damages are reported to this Consulate General by American citizens a despatch is addressed either to the Chinese or Japanese depending upon the area in which property is located. If the property is within the International Settlement a despatch is also being addressed to the Shanghai Municipal Council. In addressing despatches to Japanese or Chinese authorities instructions are requested as to the appropriateness of including a clause such as follows:

"Authorities will be held responsible for all damages and losses to American individuals or firms and that this Consulate General reserves the right to address you further regarding a claim for damages and losses suffered."

CUNNINGHAM

793.94/4359 : Telegram

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

TOKYO, February 23, 1932—6 p.m.
[Received February 23—7:33 a.m.]

74. The British Military Attaché has just arrived from Shanghai with very interesting details, indicating that the Japanese advanced about 5 kilometers in the open region north of Shanghai but that very little advance was made in the thickly settled part of the city and it is anticipated they will continue their movements more in the open region outside. It is reported that the Chinese are offering stiff opposition in the city.

A report is just in that after a meeting of the Cabinet it was decided to send the 11th Division to Shanghai. This was requested by their Minister and Consul General and not by General Uyeda.

I saw the French, German, British and Italian Ambassadors yesterday. From all sources it is evident that the Japanese are very anxious to terminate the Shanghai situation at the earliest possible moment. It seems that if the fighting could be stopped the Japanese would not insist on a very extensive withdrawal on the part of the Chinese. Discussing the Manchurian situation, it was the opinion of my colleagues that independent Manchuria state was inadmissible and could not be recognized by the powers; that there might be an autonomous local government set up in Manchuria but the customs schedules and general laws of China would be in force there and the territories of course recognized as Chinese.

Nagai tells Neville that in his opinion an independent Manchuria is impracticable.

FORBES

793.94/4368 : Telegram

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

SHANGHAI, February 23, 1932—6 p.m.
[Received February 23—12:15 p.m.]

101. Continuing my daily report 97, February 22, 5 p.m.

1. Yesterday's intermittent exchange of firing between the opposing

forces on the Chapei front was succeeded at 9 p.m. last night by heavy gunfire from the Chinese side. Shells were fired easterly in the direction of Hongkew, the objective appearing to be the Japanese Consulate General or the flagship of Vice Admiral Nomura who is tied up at Yangtze Road Wharf, since several projectiles passed over that neighborhood, one of which struck the Italian cruiser *Libia* causing slight damage to that vessel. During last night's bombardment one shell landed in the compound of the Shanghai Baptist College and another injured some Japanese marines at the Japanese aerodrome adjoining.

2. This morning two squadrons of Japanese planes bombed the Hungjao aerodrome causing some damage to the property. No Chinese planes were in the aerodrome. Japanese aeroplanes also attacked Soochow where they claim to have brought down a Chinese plane.

3. This morning Japanese headquarters reported they would be in Tazang Village west of Kiangwan by sundown. They later reported that they had come upon strong Chinese defenses two and a half kilometres east of Tazang and it would take some time to reduce these. Parts of Kiangwan Village are still in the hands of Chinese snipers who are harassing the Japanese. The morale of the Chinese appears to be extremely high and the Japanese are finding it more difficult to advance than they anticipated. It would appear that they will have to use considerable reenforcements, possibly three divisions, before they can make any headway against the stubborn defense of the Chinese. The Japanese advance has been running into trench pockets, their artillery not being able to obliterate these. Snipers concealed in these scattered trenches have been able to seriously harass the advancing Japanese. The boasted turning movement against Chapei has not come off and it is doubtful if the Japanese, who are extremely anxious to conserve their men, can advance against Chinese determination to sell their lives at the expense of as many Japanese as possible.

4. The majority of Chinese soldiers being admitted to hospitals in the Settlement are from Kiangwan area and most of them come from the 88th Division. They arrived in the Kiangwan area on February 19th. According to the wounded, the 88th Division formerly manned the second line and had not come in direct contact with the Japanese troops until yesterday. This division was formerly known as Chiang Kai-shek's emergency corps recently reorganized into the 88th Division.

5. The situation at Woosung remains quiet and is unchanged.

6. Last-movement reports are to the effect that the Japanese offensive has definitely come to a halt as Lieutenant General Uyeda does not want to sacrifice too many troops in the face of the large number of Chinese defenders. The Chinese have begun a series of attacks along

the Japanese front. Lieutenant General Uyeda's headquarters which had been moved from Fuhtan University of [*to?*] the northwest came under a hail of sniper's bullets.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4370 : Telegram

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

SHANGHAI, February 23, 1932—6 p.m.
[Received February 23—1:10 p.m.]

The following identic telegram is being sent today to their respective Governments by the British and French Ministers and the Italian Chargé and I have told them that I would do the same:

"Further heavy bombardment took place last night in the course of which numerous Chinese shells once more fell in neighborhood of wharf area of Hongkew. The shells were clearly heard passing between British Consulate and Astor House Hotel and four of them struck Italian cruiser *Libia* (which lies midstream astern of Japanese flagship moored opposite Japanese [Consulate?]), fortunately causing no damage to life owing to non-explosion but injuring the ship.

2. Renewed protest is being lodged today through Consuls General with Chinese Mayor.

3. The truth of the matter is that as long as the Japanese use the International Settlement to shelter their ships, fire from Chinese guns is naturally the result.

4. I, therefore, hope that you will find it possible to make representations at Tokyo with a view to inducing the Japanese Government to move their flagship and any other men-of-war from the neighborhood of the Settlement and to cease using the Settlement as a base or channel for their operations including the landing of troops and supplies."

JOHNSON

893.01 Manchuria/21

The Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation[89]

[NANKING,] February 23, 1932.

STATEMENT OF THE CHINESE GOVERNMENT CONCERNING THE SO-CALLED INDEPENDENCE MOVEMENT IN MANCHURIA

The Three Eastern Provinces, also known as Manchuria, are always an integral part of China and any usurpation or interference with the

[89] Copy of telegram transmitted to the Secretary of State by the Chinese Chargé under covering note dated February 23, 1932.

administration therein constitutes a direct impairment of China's territorial and administrative integrity. Article 1 of the Organic Law of the National Government of October 4, 1928, which was proclaimed in Manchuria as well as the other provinces of the Republic provides that the National Government will exercise all the governing powers of the Chinese Republic. The Provisional Constitution of June 1, 1931, expressly provides that the territory of the Chinese Republic consists of the various Provinces, Mongolia, and Tibet, and that the Chinese Republic will be a unified Republic forever.

The territorial, political and administrative integrity of the Chinese Republic, besides being an attribute of a sovereign state according to the international law is guaranteed by Article 10 of the League Covenant and Article 1 of the Nine Power Treaty. Such guarantee has been implemented by Japan when she adhered to the League Council Resolution of the 30th of last September—[90]

"The Council

["] 2. Recognises the importance of the Japanese Government's statement that it has no territorial designs in Manchuria;

"5. Being convinced that both Governments are anxious to avoid taking any action which might disturb the peace and good understanding between the two nations, notes that the Chinese and Japanese representatives have given assurances that their respective Governments will take all necessary steps to prevent any extension of the scope of the incident or any aggravation of the situation."

In the Resolution of the 24th of last October[91] the Council emphasized the importance of these assurances saying that it—

"(3) Recalls the Japanese statement that Japan has no territorial designs in Manchuria, and notes that this statement is in accordance with the terms of the Covenant of the League of Nations, and of the Nine Power Treaty, the signatories of which are pledged 'to respect the sovereignty, the independence, and the territorial and administrative integrity of China.' "

The Council further notes in the Resolution of the 10th of last December—[92]

"(2) Considering that events have assumed an even more serious aspect since the Council meeting of October 24th;["]

(The Council) "Notes that the two parties undertake to adopt all measures necessary to avoid any further aggravation of the situation and to refrain from any initiative which may lead to further fighting and loss of life."

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[90] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 13.
[91] *Ibid.*, p. 29.
[92] *Ibid.*, p. 59.

This Resolution was also accepted by Japan. The Chinese Delegate who endorsed it declared:

"China would regard any attempt by Japan to bring about complications of a political character affecting China's territorial or administrative integrity (such as promoting so-called independence movements, or utilising disorderly elements for such purposes) as an obvious violation of the undertaking to avoid any further aggravation of the situation."

Now in defiance of all law and solemn obligations the Japanese authorities who are in unlawful occupation of the Three Eastern Provinces are endeavoring to set up in these Provinces a so-called independent government and are trying to compel the Chinese citizens to participate in the puppet organization. The National Government has repeatedly and emphatically protested against the illegal actions of the Japanese Government and hereby again declares that it will not recognize the secession or independence of the Three Eastern Provinces or any part thereof or any administration which may be organized therein without its authority and consent.

793.94/4376 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 24, 1932—10 a.m.
[Received February 24—6:18 a.m.]

34. If and when you take action contemplated in your 19, February 20, 2 p.m., Simon who returns this morning will presumably notify Council. Would you contemplate authorizing me to make such notification at the same time to Drummond in writing as a further evidence of our desire to cooperate with the Council and to keep it fully advised?

WILSON

793.94/4378 : Telegram

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

PEIPING, February 24, 1932—11 a.m.
[Received February 24—3 a.m.]

265. 1. On January 22nd Hanson reported that he had reason to believe that Colonel Dohihara would become adviser to the civil administrator's office and would have under him Japanese advisers to the local governmental departments. In view of the likelihood of Japanese dominance of local government Hanson inquired whether, in the event of a reorganization of the Municipal Government, the Con-

sulate General should attempt to secure American representation in any new Municipal Council formed.

2. With the occupation of Harbin by the Japanese and complete reorganization of various local government administrations including the municipality, the question of American participation in a new Municipal Council arises. Hanson expresses the following opinion:

"February 19, 11 a.m. Your telegram of February 24 [*sic*], 11 a.m. I believe it advisable for consular body or extraterritorial consuls to attempt to participate in the reorganization of the municipal government with the view of securing representation therein and an equitable system of taxation."

3. Legation agrees with Hanson but requests Department's instructions.

For the Minister:
PERKINS

793.94/4375 : Telegram

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

PEIPING, February 24, 1932—noon.
[Received February 24—4:10 a.m.]

266. Harbin reports that from railway and Japanese sources it has been learned that old Kirin troops have occupied several stations on eastern section of Chinese Eastern Railway. Japanese claim that these forces have looted Japanese properties and that Japanese and Koreans endangered have appealed for military protection which is being considered. Ma Chan-shan left Harbin February 22 to establish provincial government at Tsitsihar.

For the Minister:
PERKINS

793.94/4381 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 24, 1932—2 p.m.
[Received February 24—10:40 a.m.]

35. This morning during a pause in the plenary meeting Sato sought out Gibson and Davis who were sitting in an anteroom and requested permission to sit down and talk with them.

In substance he said that he and Matsudaira were deeply concerned about developments at Shanghai and admitted that they had reached such proportions as not only to jeopardize their position in Manchuria but to necessitate either a greater military effort at Shanghai or cessa-

tion of hostilities. They were convinced the latter course was essential and were considering making strong recommendations to their Government that Japan take initiative in proposing steps to terminate hostilities and to establish peace with the concurrence and assistance particularly of the United States and England.

He seemed to think that it would be more logical to proceed under the Nine-Power Treaty which has the advantage of excluding Russia but perhaps the disadvantage of bringing in the few small powers parties to this treaty that could contribute little to a settlement.

Another thought which seemed to strike Sato as important was that the Nine-Power Treaty was the most logical approach in that it gave to Japan the means of taking the initiative thus saving its face and provided the possibility of a hopeful result before the meeting of the Assembly March 3.

In conclusion Sato said he and Matsudaira were seriously worried by the way the Japanese military authorities had got out of hand and felt that unless Japan's future was to be jeopardized some means must be found for stopping hostilities, reestablishing cooperation with the Western Powers and getting the conduct of affairs back into the hands of the civilian authorities and that they would make strong recommendations along these lines to their Government.

WILSON

793.94/4379 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 24, 1932—3 p.m.
[Received February 24—9:45 a.m.]

36. Addendum to my 35. Sato also mentioned their growing feeling of apprehension at the isolation in which Japan found itself and their especial anxiety caused by the evidences of changing sentiment in the United States as shown by the desire of peaceable-minded people to advocate an economic boycott. WILSON

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123 J 634/226 : Telegram

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

SHANGHAI, February 24, 1932—3 p. m.
[Received February 24—6:13 a.m.]

Department's 41, February 20, 2 p.m.[93]

1. My British colleague has sent a telegram similar to my February 20, 11 a.m.[93] to his Government stating that he is awaiting develop-

[93] Not printed.

ments for another 24 hours when if there has been no change he proposes to return to Nanking.

2. Unless Department desires me to remain in Shanghai I propose to return to Nanking on Friday.[94]

3. Present resistance of Chinese troops is apparently unifying country and seems to center interest upon Central Government.

4. It appears to me that I can be of greater use near the seat of the Government than here where I find it difficult to keep myself free from purely local matters.

JOHNSON

793.94/4360 : Telegram

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

WASHINGTON, February 24, 1932—1 p.m.

49. For the Minister. Your February 23, 10 a.m., paragraph 4, and your February 24, 3 p.m.

1. The Department continues deeply solicitous that the Chinese and Japanese desist from their hostilities at Shanghai. The Department feels that any discussions that may be initiated on the subject of cessation must be carried on directly by the Chinese and the Japanese, but that representatives of foreign powers should be prepared to exercise good offices if and when such are sought in good faith by both parties, and that this might be done without taking part in the discussions as such or in any way favoring the cause of either side. The chief service which could be rendered in such a matter would seem to be, as was the case in the discussions over Shantung at the Washington Conference, in helping the two disputants make their contacts and keep together until they have threshed out their problem themselves.

2. If, with the foregoing in mind and after further discussion of possibilities with your British colleague, you still feel that you can be of greater use near the seat of the Government than at Shanghai, the Department approves your proposed departure for Nanking on Friday.

3. From information coming to me from various quarters, I have quite strong impression that you would be more useful in Shanghai,

[94] February 26.

particularly if Lampson will also remain. Will notify you if this situation changes.

4. Please telegraph action taken.

STIMSON

793.94/4425

Memorandum by the Secretary of State

[WASHINGTON,] February 24, 1932.

The French Ambassador came in to see me and he told me he was much troubled by the constant assertion that France had an understanding with Japan in respect to the present situation in the Far East. He called to my attention a speech which appeared in this morning's papers by Senator Moses of New Hampshire making the same suggestion. He said he received constant letters on the subject and he was much troubled. He said he was proposing to make a statement on the subject and he showed me a draft and asked me whether I had any objection in the draft. The Ambassador mentioned that he had been furnishing me with cooperation and information. As I recall it, I told him that I had no objection to his making such statement if he wanted to but I suggested that it might appear to give undue seriousness to statements which were now mere gossip and rumor. I told him that I had told a great many people of his Government's helpfulness in giving me the information which came from the seat of trouble as they received it through their ministers and ambassadors and that if anybody inquired at the press conference I would say the same thing.

The Ambassador then went into the situation in Shanghai and spoke of the danger of a Chinese attack upon the Settlement in case the Japanese withdrew. I replied that I thought our best offense against Chinese attack was to make it clear that we had no sympathy with aggression against China and, particularly, no sympathy with any attempt to break down the guarantees of the Open Door and the Nine Power Treaty. I told him that I had written a letter to Senator Borah,[95] which was being published for that purpose, and I showed him the press release of this letter. The Ambassador read it through carefully and congratulated me on the statement. When he reached the paragraph in which I pointed out that the Nine Power Treaty was interrelated with the other disarmament treaties and that it should not be modified without reference to the counter promises made for which it was the consideration, he was evidently much impressed and

[95] For text, see telegram No. 50, February 24, 1932, 2 p.m., to the Consul General at Shanghai, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 83.

said that was very strong; again when he read the paragraph about the Kellogg-Briand Pact and the assertion that the protection of the Chinese people was a necessary part of the program for the welfare of the world, he again said he thought that was very strong. I told the Ambassador that I reported to the President what he had said to me about the meeting of the Assembly of the League of Nations next week and I pointed out to him that it was necessary for the Assembly to first make a decision as to the rights and wrongs of the controversy before it before they came to the question of remedy or punishment, and that it was premature to come to us to ask what we would do in the way of punishment before they had decided that there was any case for punishment. The Ambassador said, "Well, if they go ahead and decide that, will you then do something?" I said, "We will then discuss that with them in the light of their decision."

H[ENRY] L. S[TIMSON]

793.94/4376 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 24, 1932—1 p.m.

21. Your 34, February 24, 10 a.m. I do not now anticipate in the near future the action contemplated in my 19, February 20, 2 p.m.

On the subject of the Nine-Power Treaty I have made public a letter to Senator Borah, the text of which follows. It is sent to you for your information and guidance and that of the delegation.[96] You should make the full text available to the press. You may show it to Drummond for the purpose you mentioned. Here follows the text:

[Text of the letter to Senator Borah is quoted in telegram No. 50, February 24, 1932, 2 p.m., to the Consul General at Shanghai, printed in *Foreign Relations*, Japan, 1931-1941, volume I, page 83.]

STIMSON

739.94/4384 : Telegram

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

SHANGHAI, February 24, 1932—5 p.m.
[Received February 24—12:25 p.m.]

103. Continuing my daily report 101, February 23, 6 p.m.

As stated in paragraph 6 of yesterday's report, the Japanese offen-

[96] To the General Disarmament Conference at Geneva.

sive has definitely come to a halt. There has been no activity in the last 12 hours. It is estimated that Japanese are holding a front of some 11,000 yards with the right resting on Maoon near Woosung south to Hongkew. Parts of Kiangwan Village are still in the hands of Chinese snipers who are giving the Japanese a very bad time. Observers who have penetrated to Tazang Village through the Chinese lines state that the Chinese machine-gun dugout nests are cleverly camouflaged as Chinese grave mounds. Because of this the Japanese airplanes are unable to detect enemy positions. The minor attacks which were begun by the Chinese yesterday along the Japanese front were beaten back. Military men seem to believe that the Japanese will have difficulty in maintaining their extended front until their reenforcements arrive. Elsewhere the situation remains quiet.

Repeated to the Legation and Nanking for information.

CUNNINGHAM

793.94/4387 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 24, 1932—5 p.m.
[Received February 24—1:15 p.m.[97]]

37. The situation created by the summoning of the Assembly is very confused. I have delayed several days reporting on it in the hopes that it would clarify itself. I now feel that though it remains confused certain thoughts emerge which might be useful.

There seems to be a considerable body of opinion among the more radical members of the Council in favor of issuing an invitation to the United States to participate in the Assembly. This thought is animated by the belief that in order to deal effectively with this problem the Assembly must have the benefit of the advice of one of most interested parties and must not risk taking some action of which the United States would not approve and in which it would not feel able to cooperate thus minimizing the effect of any action taken and on the other hand it is not quite clear whether an Assembly convoked under article 15 has the right to invite outsiders. This point is now being studied by the legal section of the Secretariat. The opinion prevails that the legal section will find that it is constitutionally possible to issue an invitation. In this event the question arises as to its advisability. In view of the presence of Russia at the Disarmament Conference and their immediate concern in the Manchurian difficulties it is hard to

[97] Telegram in three sections.

see how an invitation can be issued to us without one being extended at the same time to Russia. It should be noted that under article 15 the Assembly will not sit as a juridical court as yet but will sit in order to search the means of a peaceful solution of the immediate problem. The question arises as to whether Russia would desire to cooperate in finding a solution of this problem or whether it would not rather take advantage of the opportunity to urge that the Assembly pass censure on Japan thereby adding fuel to the fire. Drummond is inclined at the present moment to doubt the wisdom of issuing invitations to outsiders because of the foregoing situation.

In the event that invitations are issued it seems probable that they might be based on the intimate relationship between the situation in the Far East and the problem of disarmament, that recognizing this relationship all the states now participating in the Disarmament Conference might be invited to consult as to the means of arriving at a peaceful solution which would promote the success of the Disarmament Conference to continue [;] in the event that the United States is not invited or in the event that it should be invited and should for any reason deem it undesirable to accept such an invitation Drummond earnestly request[s] that I may be instructed to pass on to him from time to time in writing the views of my Government as to the problems that may be under discussion. He points out that the expression of these views orally makes their use very limited and does not give them the full circulation and weight which they would otherwise merit. He adds that such action would go a long way in preventing the Assembly from taking some course which might be distasteful to us or, in other words, from repeating the episode which arose by the insistence of the Council for a time limit for the withdrawal of Japanese troops from Manchuria.

As to procedure in the Assembly no one can foretell exactly but it seems probable that the Assembly will name an Assembly Committee to carry out the executive functions of this problem now that the Council has been divested thereof through its reference to the Assembly. This Committee might possibly be the members of the Council plus such other states members or nonmembers as were judged expedient by the Assembly and perhaps would be continued until the matter is settled, reporting from time to time to the Assembly.

There is some discussion of taking advantage of a moment when there is a stalemate in hostilities to request both parties to accept an armistice, informing them at the same time that if one of the parties refuses that armistice the powers will refuse to ship munitions of war to it. In this connection I would appreciate it if you could advise me

if I am correct in the understanding that under the law of January 31, 1922,[98] the President could not prohibit the shipment of arms to Japan without special authority from Congress.

WILSON

793.94/4425½

Memorandum of Trans-Atlantic Telephone Conversation[99]

SIR JOHN: Hello, is that you Mr. Stimson?

SECRETARY: Yes, this is Stimson.

SIR JOHN: This is Simon here, how are you?

SECRETARY: I am all right, thank you.

SIR JOHN: I am speaking from Geneva. I wanted to report to you this. We have got a message from Shanghai which says that several of the Consuls there, yours and mine and the Italian and the French are all suggesting to their Governments that we might ask the Japanese to move their ships of war further down the River and not keep them right opposite the British and American Sectors.

SECRETARY: Yes, I know all about that.

SIR JOHN: I thought you would like to know that we are making representations to that effect to Tokyo because if you were doing the same thing we could all be doing it together.

SECRETARY: Well, I am willing to do it provided it is made a joint matter and all of the Ambassadors go together.

SIR JOHN: The French have already given instructions that their man is to do it when our man does it. I sent a message tonight to our Ambassador at Tokyo asking him to do it and I am just going to see Grandi and I feel pretty sure that he will also agree to give instructions.

SECRETARY: I do not care to do it unless you also do it and unless your Ambassador and my Ambassador do it at the same time.

SIR JOHN: I quite see that, so if you are disposed to give instructions to your Ambassador to do it with our Ambassador why then I think it would be all right.

SECRETARY: Yes, I am willing to do that.

SIR JOHN: I will tell you exactly what I have asked. I have asked first of all that they should move their men-of-war, to avoid Chinese firing into our Sectors, further down towards the other end of the Settlement because at present you see Chinese fire aimed at the Japanese ships might hit our ships and an Italian cruiser has already been

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[98] 42 Stat. 361. For proclamation No. 1621, March 4, 1922, by President Harding, see *Foreign Relations*, 1922, vol. I, p. 726.

[99] Between Mr. Stimson in Washington and Sir John Simon in Geneva, February 24, 1932, 3:30 p. m. Memorandum made in the Department of State for its own use; not an agreed record of the conversation.

hit. I don't suggest that they should move away from the Settlement but only move from our end.

SECRETARY: Yes, I think that is only reasonable.

SIR JOHN: Another thing I am asking is that if the Japanese have resolved to send any reinforcements that they should try not to land them in the Settlement but land them at the East end because the Chinese will certainly fire at any troops if they land and they really hit a lot of American buildings and women and children and men, so I sent a message which said that we have acknowledged the efforts which they have made to keep the firing away from the Settlement—we recognize that. I said that there is not any question at all of landing any further Japanese troops—we have that information—only that they land them further down.

SECRETARY: Are you going to make that in the form of a memorandum?

SIR JOHN: I am merely asking my Ambassador to make representations in that sense.

SECRETARY: Don't you think it would be better to have him leave a memorandum?

SIR JOHN: Our Ambassador will get in touch with your Ambassador and will show him the form of suggestion. It is quite clear, you know, and it is really common sense.

SECRETARY: I have no doubt about that and I make a further suggestion, that is, that both our Ambassadors put their suggestions in the form of a memorandum. I have been much impressed by the fact that we have had a great many protests made and we have not yet had any record proof of any one of them. They have all been verbal and in case of an arbitration hereafter of any claims for damages which have been caused by the fire of the different contestants we would have no documentary proof of our protests.

SIR JOHN: Yes.

SECRETARY: Do you understand that?

SIR JOHN: We have locally delivered something in writing but I see what you mean. We will send a message to our man in Tokyo to consult with your Ambassador.

SECRETARY: And to leave a memorandum of it with the Foreign Office.

SIR JOHN: I will inform him that it was your suggestion and to cooperate with your man as far as he can.

SECRETARY: I think it would be advisable if you made it quite clear that that is your view too.

SIR JOHN: Of course, there is this to be borne in mind, Mr. Stimson, which is very important. I gather that there are going to be more Japanese troops landing so I am sure you will agree with me that I

hope very much that if that is so that as soon as the prestige of both sides is clear we may have an opportunity jointly with the other powers of offering our good offices to stop this awful business.

SECRETARY: Well, Sir John, that will depend in large part upon the concerted attitude of your Government and mine and the French.

SIR JOHN: I quite agree with you.

SECRETARY: And I have been rather sorry that the apparently good concert that we had in the beginning does not seem to be quite as easy now.

SIR JOHN: I am very sorry about that too. I was hoping that you would understand that from Geneva and at your end we should be able to do something together, but never mind about that, another opportunity may arise now to do that.

SECRETARY: I agree with you and I will do my best to accomplish it and I suggest in this protest that there be a memorandum left by both of our Ambassadors. You can very well see that I should hardly like to leave one in writing when you did not.

SIR JOHN: Oh, no. I will send a telegram to our man that before making representations I would be glad if he would consult your representatives and that I understand that your suggestion would be that it would be better to deliver a note from all the four powers, assuming all four can agree.

SECRETARY: Yes, I think that would be the best way but even if they could not agree upon a joint note if each one left a separate memorandum, provided each memorandum was in writing, it would be much better than to have the protest merely verbal.

SIR JOHN: I told you that I spoke to the Japanese Ambassador here in Geneva, he is the Japanese Ambassador in London, I spoke to him on this and he is sending to his own Government a note about landing more troops in the British or American Sectors and he took it in very good part and is doing his best to help us.

SECRETARY: Yes, I know Mr. Matsudaira very well.

SIR JOHN: Well you know he is a very good man and he was very nice about it and said he thought it, as far as he could see, a reasonable request.

SECRETARY: I appreciate his attitude very greatly. It is the same as the Japanese Ambassador's here. He is very agreeable too but what I am thinking of is the record that is made in the Foreign Office at Tokyo and I think we cannot depend altogether on the attitude of the Ambassadors in London and Washington being shared by their own Government.

SIR JOHN: That is quite true. I don't believe myself the opportunity for our joint action to stop the thing is going to arise for a few days.

SECRETARY: No, I don't think it will.

SIR JOHN: We want to take advantage of the opportunity to keep in touch because when the time comes we want to do it together.

SECRETARY: May I say one more thing to you?

SIR JOHN: Thank you very much.

SECRETARY: I have today made public a letter which I have written in answer to an inquiry by Senator Borah of our Senate bearing upon the Nine Power Treaty. A copy of that letter will be in the hands of Mr. Wilson today or tomorrow morning early. It was telegraphed to him this morning and I did not know you were in Geneva or I would have asked him to give you a copy, but if you see him you may ask for a copy and say I told you to over the telephone. I should be very glad to have you see it for it covers the matters I have talked with you over the telephone.

SIR JOHN: Now, Mr. Stimson, because I am so anxious to cooperate I will send the message which I spoke of, mentioning your desire that it be done by note, to Tokyo. But, in any event, I have your authority, have I not, to ask him to get in communication with your Ambassador?

SECRETARY: I will cable my Ambassador to that effect.

SIR JOHN: If our Ambassador, in view of the local situation, feels that he wants to make verbal representation I don't think I can forbid him but I can tell him of your preference for a note and the hope that there may be joint action whatever way it is.

SECRETARY: I agree with that.

SIR JOHN: I am going to be in Geneva now, I think, for quite a long time. There is a very anxious time ahead of us because on March 3rd the Assembly is going to meet, the Assembly of the League, about the Far Eastern matter and I am, of course, anxious, if I can, to get some useful intervention or something doing before that date, but there is no good doing it at the moment because if the Japanese are held up they will want to feel that they have put themselves in the position of equality.

SECRETARY: Yes, I understand that perfectly. But, Sir John, I want to make it perfectly clear that I am not pressing now the suggestion which I made to you a week ago. I think the occasion for that has momentarily passed by. I am not pressing that at all. I am waiting now to watch what you do. In my letter to Senator Borah I have made public my own country's position—the position of the American Government has been made clear in this letter so that so far as we are concerned I have no anxiety about the matter that I spoke to you about ten days ago. Do you understand?

SIR JOHN: I am not quite sure that I follow the point you are referring to.

SECRETARY: I say that my letter to Senator Borah has taken the place of the suggestion which I made to you about ten days ago for

the action of our two Governments. My object then was to make the position of our two Governments clear as to the Nine Power Treaty. That has been done now so far as my Government is concerned by my letter to Senator Borah so that I am not pressing the suggestion I made to you at that time.

SIR JOHN: Oh, no, I am not holding you to that at all. At the same time I hope we can keep in as close touch as we can.

SECRETARY: I have not changed my own position about the desirability of keeping in touch with you.

SIR JOHN: All right, I am very much obliged to you.

SECRETARY: Just let me say one thing more in regard to the present proposal that you make for this action in Tokyo. I do not propose a formal note necessarily but only that the Ambassadors should leave written memoranda. There is a distinction made, I believe, in diplomatic practice between a note and a memorandum.

SIR JOHN: Yes, I quite follow.

SECRETARY: I am not suggesting necessarily a formal identic note but I do think it is important that there should be written evidence of exactly what is said and I was suggesting a written memorandum for that purpose.

SIR JOHN: I will cable our Ambassador that I understand that you are agreeable for him and your Ambassador to get in touch about what they are doing and to do it together if they can.

SECRETARY: That is so and I will do the same to ours.

793.74/4370 : Telegram

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

WASHINGTON, February 24, 1932—6 p.m.

51. For the Minister. Your February 23, 6 P.M., paragraph 4. Following information communicated to me today by the British Foreign Minister, I am telegraphing the Ambassador at Tokyo[1] to cooperate with the British Ambassador and the French and Italian Ambassadors in making representations to the Japanese Government requesting (1) that Japan move her war vessels from their present anchorage to a point further down the river where they will not draw fire from the Chinese which will endanger the Settlement and the ships of other nations lying in the river and (2) that in the event Japan is contemplating sending reinforcements, it will arrange not to land them in the Settlement but at such points as will not draw fire which

[1] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 200.

will endanger the Settlement or its inhabitants or the ships of other nations lying in the river.

STIMSON

793.94/4390 : Telegram

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

SHANGHAI, February 24, 1932—6 p.m.
[Received 9:08 p.m.]

Foreign Office in a note dated February 22nd quotes the following report from the Magistrate at Wuhsien:

"On the morning of February 17, six Japanese airplanes flew to Soochow and circled about in the sky. Again at 4 o'clock in the afternoon five Japanese airplanes flew to Soochow. On the morning of the 18th three Japanese airplanes returned to Soochow and flew to the newly constructed airfield outside Fengmen and opened fire with machine guns."

The note then proceeds:

I have the honor to observe that Soochow is a treaty port and many foreign businessmen have gone there and established legitimate business enterprises. The storage tanks of the Asiatic Petroleum Company and of the Standard Oil Company are extremely close to the aviation field.

At the present time, Sino-Japanese relations are becoming more acute and a Japanese aerial demonstration such as the above, terrorizing the regions adjacent to Shanghai, shows an intention to extend the area of the controversy. If any losses to foreign lives and property result therefrom, the Japanese must bear the entire responsibility and the Chinese Government will be in no way involved.

Aside from lodging a strong protest with the Japanese, I have the honor to bring the above formally to Your Excellency's attention."

JOHNSON

793.94/4392 : Telegram

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

SHANGHAI, February 24, 1932—11 p.m.
[Received February 24—7:16 p.m.]

106. Following is translation of letter dated February 24 from Mayor to American Consul General, received this evening.

"The record discloses that I have lodged repeated and strong protests with you and the Consuls General of other powers against the use of the Settlement area by the Japanese troops as a base of attack on

the Chinese forces. Notwithstanding their expression of willingness to maintain neutrality it is not known yet that the Settlement authorities have adopted all effective measures to restrain the Japanese forces from the act of destroying the neutrality of the Settlement and endangering the life and property of Chinese and foreign nationals. Moreover, for days on end and with the tolerance of the Settlement authorities the Japanese reinforcements have been landing again and again from Hongkew as a base of operations against the Chinese forces. The Japanese flapship continues to ride at anchor even in the vicinity of Hongkew where, under cover of the Settlement, signals are given and orders are issued for attack upon Chinese troops and civilians despite Government knowledge and regardless of the fact that vessels and other property of the powers are bound to be affected by military operations in consequence of such activities. The Chinese military authorities and I, myself, are deeply concerned for the safety of the life and property of Chinese and foreign residents of the Settlement but under the circumstances I feel constrained to reiterate my protest and solemnly declare that my Government will accept no responsibility whatsoever for anything that may result from the inability of the Settlement authorities to restrain the Japanese forces from utilizing the Settlement area as a base of onslaught on Chinese.

For the sake of security, I would request that you instruct all of your nationals residing in the vicinity of the war zone or that of the Japanese quarters to devise means of evacuation and that you pass the information to American naval authorities that their warships and other vessels should not be anchored in the neighborhood of the base of the Japanese forces. Your compliance with this request would be appreciated."

Repeated to Legation and Nanking.

CUNNINGHAM

793.94/4904

Memorandum by the Minister in China (Johnson)[2]

SHANGHAI, February 24, 1932.

Dr. Wellington Koo called on me today and informed me that he had heard a rumor to the effect that the Japanese would land and march through the Settlement for the purpose of making an attack upon the Chinese forces through the sector controlled by the British and Americans. I told Dr. Koo that I thought that this was an absurd rumor, that I knew of no reason why such a rumor should start and that of course the area controlled by Americans was not open for the passage of armed troops of either side.

Dr. Koo stated that the Chinese were determined to continue their resistance. He asked me whether I had given up hope of persuading

[2] Copy transmitted to the Department by the Minister in his despatch of March 2, 1932; received March 26.

the Japanese to take a more moderate tone. I told Dr. Koo that I was somewhat discouraged. I said that I had not been willing to be the bearer of dictated terms to the Chinese. I said that in my opinion the Japanese had felt that they had suffered a serious blow to their prestige here in Shanghai, and that they must find some means of restoring their prestige, and that I thought that they would continue until they had at least driven Chinese forces beyond the 20 kilometers which had been mentioned in the Truce discussions of the other day.

Dr. Koo asked me whether the United States would cooperate with the League in bringing about the imposition of economic sanctions against Japan. I told Dr. Koo that I had no information as to what attitude the American Government would take on this matter, but that it was my private opinion that the Government of the United States would be reluctant to enter into any arrangements for the establishment of economic sanctions against Japan. I said that I did not believe that any Power existed under which the United States Government could administratively join in the imposition of such sanctions, and that I thought it would be very difficult to obtain the necessary legal basis for such action through congressional action at this time.

N[ELSON] T. J[OHNSON]

793.94/4397 : Telegram

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

PEIPING, February 25, 1932—4 p.m.
[Received February 25—8 a.m.]

272. Following from American Consul General, Harbin:

"February 24, noon, No. 20.

1. At Manchuria Station I learned that there was no belief that the Soviet military have been concentrating any extraordinary forces near the border, that there was a belief that the Soviet régime was still adhering to its policy of refraining under all circumstances from military action unless its territory was invaded, that a considerable amount of rolling stock of the Chinese Eastern Railway, including locomotives, had been sent into Siberia and not returned and that shipments of soya beans into Siberia were being made.

2. At Hailar Chinese military and Mongol officials, including the second Southwestern Kueifu, the Fu Tu Tung of Hulun Peier, who is old and ill, and who is the father of Ling Sheng, the Hulun Peier delegate of Mukden, informed me that the leading Mongols of Barga are enthusiastically in favor of an independent Manchurian government with Pu Yi at its head but not so in case a Chinese heads the new government. I believe that the older Mongol leaders are sincere in this respect and that the younger radical anti-Chinese leaders, who favored Soviet Russia, have lost faith in the latter because it did not oppose Japanese encroachments on the railway and at Harbin and

are now willing to accept Japanese aid to lessen Chinese domination and to improve their status. The official Mongol leaders stated that they wanted peace and quiet, that they were weary of the Republican Government with its incessant civil wars and attending miseries and that they desired the return of the Ching dynasty, under which the Mongols had enjoyed living.

3. General Su Ping-wen, commander of the railway guard troops at Hailar, informed me that he was obeying the orders of General Ma Chan-shan and that on February 22nd the Manchouli representative of the Harbin-Japanese Military Mission had lunched with him at Hailar and had urged him to be patient toward the new government.

4. Conditions were and are quiet along the western line of the railway, and near Hailar and Manchuria Station where there are few Japanese and Koreans and it is not anticipated that there will be any disturbances in that section for the time being. I was reliably informed that there was no expressed anti-Japanese feeling on the part of the Chinese in these two towns and the Japanese Consul Yamasaki at Manchuria, upon whom I called, did not complain to me in regard to the situation or to any mistreatment of Japanese or their trade."

For the Minister:
PERKINS

793.94/4435

Memorandum by the Secretary of State

[WASHINGTON,] February 25, 1932.

The British Ambassador came and said that he had read my letter to Senator Borah and was a little disturbed by some of the intimations in the press that it had been addressed somewhat to his Government. He asked whether I had any further comment to make about it and I said no.

He then said that he thought the situation in China was getting to be very serious and full of peril. I replied that I thought it was full of peril, and my letter had been intended in part as the best defense that I could think of against that peril. I told the Ambassador that I had been hearing strongly from Mr. Johnson, our Minister to China, that the Chinese were becoming more and more aroused by the continued aggression of the Japanese during the past four months while at the same time China had placed her case in the hands of the Powers and the Powers were doing nothing to stop the aggression; that Johnson had pointed out at the time when the Japanese propaganda began to threaten the validity of the Nine Power Treaty and to suggest demilitarized zones around five Chinese cities that if this propaganda was not answered by the other Powers, matters in China were ripe for a rebellion like the Boxer Rebellion, and the safety of Americans, British and other foreigners all through China would be endangered;

that these messages from Johnson were the chief impelling motive of my letter to Borah. I said that perhaps in one sense my letter was partly addressed to British public opinion because I had noticed a strong tendency on the part of one group in Britain to defend Japan's action in these respects, and I alluded to the recent statements of General Ian Hamilton of the British Staff and J. L. Garvin in the *London Observer*. I told the Ambassador that I thought such statements were very dangerous because they actually seemed to take sides with Japan against China in a very critical juncture; that I was not forgetful of the equal friendship which I owed Japan and China, but I could not shut my eyes to the fact that in the major features of this controversy Japan was in the wrong.

H[ENRY] L. S[TIMSON]

793.94/4456

Memorandum by the Secretary of State

[WASHINGTON,] February 25, 1932.

During the call of the British Ambassador today our conversation passed to the situation in Geneva. I took the occasion to point out that the attempts which were being made to sound out our position were premature; that the League of Nations was the only group possessing the machinery for an investigation and report upon an international controversy; that they had had this controversy before them for over four months and had not yet made any report as to the right or wrong of even the most elementary and cardinal features which stood out. I said I did not mean a report upon all the ultimate and difficult issues, but the plain ones which were staring us in the face; that until that was done—until the court had rendered a decision—it would be premature to discuss punishment, particularly with an outsider; that this country was so far ahead of them that they could not complain that we were standing in their path.

The Ambassador said something about the difficulties and inevitable character of sanctions under Article XVI. I replied that my analysis of the League covenant did not indicate that, and I pointed out that under Article XV I thought the Council or the Assembly to whom a case had been referred had the right to investigate and report and make recommendations which might include a set of sanctions which would be quite separate and distinct from the sanctions of Article XVI. I also pointed out that the sanctions of Article XVI did not constitute punishment for a controversy or offense which had been committed in the past and referred to the Council but solely to the new and separate offense which would be committed by a declaration of war after

a report upon a party which had complied with the report; that in my opinion it would be quite possible for the Council or the Assembly in its report to devise sanctions which were not, like an embargo, liable to lead to war, but yet which would be very effective upon a country like Japan, and I said that in my letter to Senator Borah I had suggested one of them—the sanction of my note of January 7th—and I felt that the brains of the League could devise many other sanctions which would be effective and yet not war-like. After I had finished, he said that he thought he understood the analysis which I had pointed out.

H[ENRY] L. S[TIMSON]

793.94/4458

Memorandum by the Secretary of State

[WASHINGTON,] February 25, 1932.

The German Ambassador came and told me that he had reported to his Government the conversation that he had with me last,[3] in respect to the ratification by the German Parliament of the Nine Power Treaty, and he read to me from a reply which he received from Chancellor Bruening which was in substance to the effect that the coming session of the Parliament was a very brief one, at which there were a number of critical political questions to come up and it therefore would be practically impossible to bring up any new subject; that there was then to be another short session in April which was expected to be devoted also to critical economic problems so that it would probably be impossible to have the question of the ratification of the Nine Power Treaty come up before next Fall. The Ambassador told me, however, that Doctor Bruening was strongly in favor of it. I said I realized quite well the difficulties of bringing up new subjects at short sessions from our own experience here and would understand perfectly any delay in regard to this.

The Ambassador then brought up the subject of my letter to Senator Borah and the coming meeting of the Assembly and we had a talk on that subject. I told him first that I wanted his Government to be sure that, far from having any desire or intention to block or make difficult any action by the League, I regarded that the path our Government was following was not at variance but quite in harmony with that of the League but I said smilingly that I thought we were rather ahead of the League than behind it and that they were not yet in a position to ask us any question as to our policy as to sanctions. I pointed out that they were the only group of nations in the world which had a constitution of machinery designed to investigate and report on inter-

[3] February 18; see memorandum by the Secretary of State, p. 375.

national issues, and that they had not yet used that machinery in order to clarify the issue between China and Japan. They have taken no step to indicate who is in the wrong and that until they had reached that position they were hardly in a position where they could discuss the question of punishment among themselves let alone ask outsiders about it. I pointed out to him very clearly that I did not intend by anything that I said to intimate that I was in favor of any forcible measures or anything that would lead to more hostility than was already in existence. He said he agreed with me on all of this. In the course of his remarks, the Ambassador said something which made it seem appropriate for me to say that the situation in the Chinese-Japanese trouble seemed to me to be particularly easy and favorable for the use of the League machinery, in that the issue between the two powers seemed to be fairly simple in the opinion of the rest of the world. I pointed out that we rarely had a case of a controversy between two nations where one of them had a large army already on the soil of the other and, when he mentioned something about the possibility of a solution, I said that, so far as the cessation of hostilities were concerned, I was inclined to think that if the Japanese would stop attacking, the Chinese could be made stop hostilities in three hours. The Ambassador laughed and said he thought that was right.

H[ENRY] L. S[TIMSON]

793.94/4415 : Telegram

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

SHANGHAI, February 25, 1932—5 p.m.
[Received February 25—2:35 p.m.]

111. Continuing my daily report, 103, February 24, 5 p. m.

1. There is relatively little change on the various fronts since my yesterday's report. The Japanese claim to have brought a locomotive from Woosung to point near Kiangwan Village which would indicate that they fully control the intervening country. The situation at Kiangwan continues as yesterday. According to reports of various observers who have visited the Kiangwan front the Japanese have suffered very heavy casualties which they have attempted to minimize in their official communiqués. These losses were bound to occur in attacking the Chinese positions over the open country as they have been doing since the beginning of the Kiangwan push. In initiating the Shanghai naval adventure with a handful of marines the Japanese naval commander completely misjudged the resistance of the Chinese and now in attempting to sweep the environs of Shanghai clear of the

19th Route Army with two divisions they have blundered a second time. The penalty of the second miscalculation has been that the much heralded push of General Uyeda with the 9th Division has come to a complete standstill and now the Japanese are awaiting the arrival of the 11th and 14th Divisions of approximately 30,000 men which are alleged to be on the way from Japan. The checking of the Japanese over the 11,000-yard front has more or less unnerved and weakened their morale.

2. On the other hand the morale of the Chinese is exceptionally high. In the defense of Shanghai the Chinese have attained a higher morale and a more complete coordination of military effort than has ever previously been realized. Not only are Chiang Kai-shek's troops fighting alongside those of 19th Route Army but some of Feng Yu-hsiang's troops are going into the line at Woosung. General Tsai has stated that his losses since the beginning of the Japanese offensive have been in the neighborhood of 1,700. Previous to the recent offensive of the Japanese the losses had amounted to 500 making a total of approximately 2,200. He added that since January 28th no less than 5,600 noncombatants have been killed by Japanese. It is the universal testimony of men who have gone over the battle front at Kiangwan that the Japanese attackers in protecting themselves against snipers have ruthlessly burned thousands [omission?] and slaughtered innocent peasant men and women. This ruthlessness of the Japanese has also been apparent in Hongkew and adjacent areas where Japanese marines and armed civilians have broken into American and Chinese property and where allegedly hundreds of innocent Chinese civilians have been bayoneted or shot to death.

3. It is believed in some quarters that the Chinese may continue to attempt to bomb the Japanese Consulate General and the Japanese flagship moored nearby. The unintentional shelling of the *Libia* in an effort to shell the Japanese Consulate in the past couple of days would indicate such an intention. This seems to be somewhat confirmed by Mayor Wu's recent message set forth in my telegram No. 106, February 24, 11 p. m.

4. The food situation in Shanghai is easy. Refugees are still continuing to leave Shanghai by every boat and train.

5. Latest reports have it that the Japanese have bombed the Shanghai-Nanking Railway near Nanziang.

Repeated to the Legation and Nanking.

CUNNINGHAM

793.94/4378 : Telegram

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

WASHINGTON, February 25, 1932—6 p.m.

68. Your No. 265, February 24, 11 a.m.

1. Before considering the question of instructions, the Department desires to be informed briefly by Harbin through the Legation (*a*) to what extent the Consular Body at Harbin, immediately prior to the present situation, participated in the municipal affairs of Harbin; (*b*) likewise, to what extent did American nationals participate; and (*c*) in expressing his opinion that it is advisable for the Consular Body or the extraterritorial consuls to attempt to participate in the reorganization of the Municipal Government at Harbin, does Consul General Hanson contemplate that the Consular Body or the extraterritorial consuls would act upon their own initiative or upon the request of the *de facto* authorities, Chinese and/or Japanese at Harbin?

2. For your guidance and for the guidance of the Consul General at Harbin:

Regardless of whatever practical advantages there may appear to be at this time in participating in a reorganization of the Municipal Government at Harbin, the Department questions whether it should approve participation by its representative at Harbin in such move. The Department feels that this question should be considered in the light of our note of January 7 to the Chinese and Japanese Governments (see Department's No. 2, January 7, noon, to Nanking, repeated to the Legation by Nanking) in which the American Government stated *inter alia* that "it cannot admit the legality of any situation *de facto* . . .".[4] The action of the other interested governments would presumably also be considered in the light of the communication to the Japanese representative on February 16, by the President of the League Council, on behalf of his colleagues, in which it was stated:

"The 12 members of the Council recall the terms of Article 10 of the Covenant by which all members of the League have undertaken to respect and preserve the territorial integrity and existing political independence of other members. It is their friendly right to direct attention to this provision particularly as it appears to them to follow that no infringement of the territorial integrity and no change in the political independence of any member of the League brought about in disregard of this article ought to be recognized as valid and effectual by the members of the League of Nations."

3. Department desires Legation's comment in the light of the above.

STIMSON

[4] Omission indicated in original telegram.

393.11/1468 : Telegram

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

SHANGHAI, February 26, 1932—11 a.m.
[Received February 26—9:55 a.m.]

112. Referring to my telegram number 93, February 23 [*21*], noon, I am pleased to report that effort is now being made to coordinate efforts of various national and municipal evacuation committees. The coordination of the British and American and Shanghai Municipal Evacuation Committees is advancing satisfactorily. Yesterday in company with Major Arthur Bassett, Chairman of American Evacuation Committee, I called upon French Consul General for the purpose of making arrangements for coordinating American organization with the French municipal organization. It was pointed out to the French Consulate General that there were more Americans in the French Concession than in the remainder of Shanghai and the American school was a matter of our greatest solicitude. The French Consul General designated a member of the Municipal Council to meet with, work out a practical scheme for cooperating with American and other committees. He undertook definitely to provide military and police protection from concentration camps to place of evacuation should extreme emergency become necessary. It was also proposed that all nationals should, if extreme emergency arose, determine and simultaneously issue notice to evacuate, that there should be no individual action, and at his suggestion it was agreed that the moment for evacuation should be determined by consular body meeting. This has the approval of the American committee and myself.

I have been exceedingly anxious lest hunger should assist the Communists in bringing about riots in the foreign Settlement and, therefore, I inquired whether there was any indication of want in the French Concession and was surprised to learn that there was less than one-fourth the refugees today and no destitution as compared with 2 weeks ago. I suggested that some [*I?*] had considered presenting to the National Flood Relief Commission the proposal that public kitchens should be established and that the wheat for the Famine Flood Relief should be used in supporting these kitchens.

Repeated to the Legation.

CUNNINGHAM

793.94/4421 : Telegram

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

TOKYO, February 26, 1932—1 p.m.
[Received February 26—1:23 a.m.]

78. At this time the Japanese people are now intensely excited, the streets are filled with excited crowds bearing banners shouting and singing and accompanying the recruits that are being called to the colors. The stations are crowded with flag-waving and shouting crowds as the troops or recruits move. School children are turned out and ordered to the station en masse to speed the parting troops.

It is a time when I am impressing upon our staff that calmness in dealing with the situation is especially important.

In going through the Tokyo station on my way to Kobe and Osaka yesterday and return, I had a cordon of 18 policemen and plain-clothes men surrounding me in 2 lines deep.

Both the British and Italian Ambassadors believe a change in the Ministry probable and perhaps imminent, with a military premier; this latter is also in [*sic*] McIlroy's opinion. The Government is expected to be a so-called nationalist or coalition government as indicated in my telegram No. 76, February 24, 8 p. m.[5]

FORBES

793.94/4429 : Telegram

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

SHANGHAI, February 26, 1932—1 p.m.
[Received February 26—10:10 a.m.]

From Captain Mayer for the War Department:

12. Japanese 11th Division will probably debark today, point of debarkation undetermined. With the arrival of reenforcements Japanese right wing will be strengthened and extended and Woosung Chinese garrison undoubtedly isolated. Chinese have withstood most intense air and some artillery bombardment at Kiangwan and northwest throughout yesterday. At February 26, 10 a. m., Chinese still in Kiangwan and February 25, 6 p. m., Japanese casualties for day 130. Chinese dogged resistance in the face of powerful air attacks most astounding.

Matsuoka told Von Wiegand today that Japanese will not push beyond 20-kilometer zone. General Wetzel in Shanghai said all German advisers had been given leave by Chinese Government during hostilities. That defense arrangement is result of 4 years' German

[5] Not printed.

instruction in post-war tactics for use against an enemy greatly superior in mechanical auxiliaries.

JOHNSON

793.94/4430 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 26, 1932—1 p.m.
[Received February 26—11:45 a.m.]

38. My 35, February 24, 2 p. m. Norman Davis met Matsudaira at dinner last night and latter thanked him for conversation which he and Gibson had with Sato and continued by stating that he had given thought to matter and was of opinion that Japan could not without giving impression of weakness ask the powers to take action for an armistice and peace settlement at Shanghai. Nevertheless he was feeling out with his Government how this might be achieved, his present idea being that it would be better for the interested powers at first opportune moment to make proposal. He seemed disinclined to have the nine powers act but preferred those powers having ministers and armed forces in Shanghai. He thought Japan might perhaps be sounded confidentially in advance before the action so that there would be no further slip-up but pointed out that in view of inflamed opinion in Japan it would be inadvisable at least now to tie the present Shanghai situation up with Manchuria as the problems were different. He intimated that Japan preferred to settle Manchurian question without the intervention of other powers and Davis told him that he personally did not see how this could be done and furthermore that he thought it was in the interest of Japan and peace in the Far East for the other powers to cooperate in settlement of that problem. Matsudaira said that on account of inflamed opinion in Japan it was difficult to know how best to deal with situation and to seek favorable opportunity for acting. Davis said that it was also important to act before public opinion in other countries becomes more inflamed to which Matsudaira agreed.

Matsudaira then said that it was important to act as soon as possible at least in regard to Shanghai. With relation to Manchuria it would be logical to await the findings of the Lytton Commission which might then act as the conciliatory agent in that phase of the problem.

Davis reiterated to Matsudaira that he was speaking in personal capacity as he had no official connection whatever with the matter. Matsudaira said he understood that but wished to talk to him as a

friend interested in problem which he could do more freely if unofficial.

WILSON

793.94/4432 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 26, 1932—3 p.m.
[Received February 26—10:35 a.m.]

39. Your letter to Senator Borah has caused the widest interest. Simon has informed me regarding cooperative policy of powers in Shanghai to prevent Japan's use of International Settlement for debarkation of troops and bombardment in threatening places. Grandi informed me of same action.

Simon also said that he had talked to you over the telephone, that you felt that the time was perhaps not ripe for action under Nine-Power Treaty and that he would keep me consistently [*constantly?*] informed of developments.

The question of an invitation to the United States to participate in the Assembly continues to be discussed but there seems to be a growing feeling that it would be inadvisable to issue it. This thought is based on the difficulty of Russian participation, on the possible embarrassment to us and on doubts as to the legality of such invitation. Also the clear expression of your views in letter to Senator Borah lets them know where we stand.

The campaign for an economic boycott in the United States is being watched with close interest and is also giving rise to discussion. My associates and I are inclined to think that the Assembly may find it premature to enter upon this question and before every other effort leading to peace has been exhausted. For instance it might be possible for the Assembly to call on the belligerents to accept in advance the arrangements for an armistice to be made by the large powers represented in Shanghai by their ministers and military advisors. If Japan should refuse to accept, the refusal would strengthen public opinion in support of stronger measures which might then become necessary.

I learn on responsible authority that Karl Radek telegraphed Moscow last night a long analysis of your letter with comment to the effect that it was the most effective step yet taken to exert pressure on Japan and at the same time to reduce the risk of war.

WILSON

793.94/4424 : Telegram

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

SHANGHAI, February 26, 1932—4 p.m.
[Received February 26—10:10 a.m.]

113. Continuing my daily report 111, February 25, 5 p.m.

1. There is little or no change in the general situation since my report of yesterday. Japanese have reported that this morning at 8:30 they raided the Hangchow aerodrome with 25 planes during which time they are alleged to have destroyed a number of Chinese planes. This report has not been confirmed.

2. Mr. Jun Ke Choy, representative of the Mayor, states that the Chinese Government at Nanking had been opposed to offensive measures until the delivery of the Japanese ultimatum on February 19th. Now they are in favor of an offensive campaign and that probably the next move would be to bring down some two hundred thousand odd Chinese soldiers who have been fighting the Communists in Kiangsi Province and turn that Province over to the Communists. He said that it would be 2 or 3 weeks before they would arrive and they would probably come by way of Chekiang. It is difficult to connect this alleged act as a military operation in connection with defense of the International Settlement.

Repeated to the Legation, Nanking. Copy to Minister.

CUNNINGHAM

793.94/4419 : Telegram

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

TOKYO, February 26, 1932—5 p.m.
[Received February 26—5:50 a.m.]

80. I have conferred with the British and Italian Ambassadors and communicated with the French Ambassador in regard to your telegram No. 62;[6] and they, under their instructions, do not feel either a joint visit or identic note feasible. They are calling individually on the Minister. I have accordingly left a memorandum with the Foreign Minister in writing in accordance with your instructions, as near as we could make it word for word a copy of which will be sent by mail. The Foreign Minister received me and stated that the representations of the United States would receive his most careful consideration and that

[6] February 24, 1932, 6 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 200.

he would refer the matter immediately to the proper department and let us hear from him later.

FORBES

893.20 Short, Robert M./6 : Telegram

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

SHANGHAI, February 26, 1932—5 p.m.
[Received February 26—9:40 a.m.]

114. My telegram No. 102, February 24, 4 p.m.,[7] regarding Robert Short. I am investigating in conjunction with officials of the United States Court for China but have not yet received proof of Short's death. I received the following letter from Japanese Consulate General dated February 24th:

"I have the honor to bring to your notice the reports appearing in today's issue of the *China Press* and the *Shanghai Times* that Lieutenant Robert Short, an American airman, was shot down over Soochow in his aerial fight in a Chinese plane, with Japanese naval planes on the afternoon of the 22nd instant, after he had killed Lieutenant S. Kotani of the Japanese Navy in one of the Japanese planes.

If these reports are true, I am constrained to call your attention to the matter in the hope that you might see fit to consider the advisability of taking such necessary steps as will forestall the repetition of similar cases."

I am replying today merely acknowledging receipt and stating that I am investigating the matter and will address him further at a later date.

If and when facts are established, as I believe they will be, to show that Short was enlisted or at least fighting on Chinese side I intend, unless the Department sees objection thereto, to inform Japanese Consulate General of the position of the American Government as stated in section 4090 of the *United States Revised Statutes.*

Repeated to the Legation and Nanking for information. Copy to American Minister.

CUNNINGHAM

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[7] Not printed.

893.01 Manchuria/11 : Telegram

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

TOKYO, February 26, 1932—6 p.m.
[Received February 26—6:17 a.m.]

81. In the course of my conversation with the Foreign Minister I took occasion to ask him how the plan for an independent Manchurian government was progressing, commenting that it was very important not only for its international aspects but also for its internal effects. He asked me what I meant by "internal effects", and I said: to the relationship to the integrity of China, paying its share of the Chinese debts and the application of Chinese laws to meet territorial affairs. He then said he was not as yet ready to define the position of his Government toward the matter.

It is common talk here that there is a difference between the attitude of the young military clique and the Premier and the civil cabinet officials, and that the latter are opposed to the independent Manchurian government that the military clique are said to be fostering. Mr. Yoshizawa's statement would seem to lend color to this idea.

FORBES

793.94/4387 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 26, 1932—7 p.m.

23. Your 37, February 24, 5 p.m.

1. Your statement is correct that the resolution in 1922, which is the only existing legislation authorizing an embargo of arms when conditions of domestic violence exist, applies to China and certain other countries but not to Japan.

2. I do not think that an invitation to sit with the Assembly would facilitate cooperation between America and the other nations, and such an invitation might divert interest here into collateral channels.

3. I see no advantage and much danger in a discussion now between this Government and the authorities of the League as to the possibility of a general embargo against Japan. Although the League is the only group of nations possessing organized machinery for investigating and declaring facts and proposing solutions, it has not yet rendered any decision or report upon even the comparatively simple situation existing in Shanghai today. Therefore it is in no position to make inquiries of us as to eventual sanctions. A court must render a decision before discussing punishment. Furthermore, economic boy-

cott or embargo is not the only, or the inevitable, sanction, which could be applied to this case under the League Covenant. Under Article 15 of the Covenant, the Council or Assembly has clear power to recommend other sanctions in making its report on such a controversy. (See committee report of 1927) In my letter to Senator Borah I suggested one such possible line of action. There are manifestly others which also would not precipitate the risks of war involved in an embargo.

4. There is no truth whatever in any of the assertions of . . . made to Sweetser and repeated by you over the telephone.[8] Each statement was a pure fabrication. I see no reason to believe that this country has reversed its former sentiment against the use of sanctions of force in international controversies. While much public feeling has undoubtedly been excited by the invasion of China at Shanghai, I have no reason to believe that a proposal to enforce an economic boycott against Japan today would command any substantial support in Congress. On the other hand, other lesser sanctions indicating disapproval and aimed at expressing adverse public opinion would meet with general favor in the country at large and might not require Congressional action. My letter to Borah has thus far produced a remarkably favorable and united response here with no adverse criticism.

5. I am most anxious not to interfere with the performance by the League of its own responsibility. On our part we have not hesitated to assume responsibility for our own action along the path which seems to us advisable. There must be no crossing of wires or misunderstanding between us. You may discuss orally these points with Drummond, it being understood that they are not for publication.

In the foregoing cable I have endeavored to convey with accuracy the present state of public opinion on this critical subject. But if there should be any attempt made at Geneva to charge this country with the responsibility for failure to act by the League, the resulting consequences here to the chance of any future cooperation would be absolutely disastrous. You should make this perfectly clear to Drummond.

STIMSON

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[8] As reported by Mr. Wilson, the statements of the American referred to were that he had consulted Mr. Stimson before initiating the movement for an economic boycott; that he had learned at the Department of State that the Department was very much in favor of the boycott and hoped the League Assembly would adopt a boycott; and further that at a Cabinet meeting all the members of the Cabinet were in favor of an economic boycott except the President who was wavering on the matter. In reply to Mr. Wilson, Mr. Stimson specifically stated that the matter had never been discussed in the Cabinet. (793.94/4458½)

793.94/4446 : Telegram

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

PEIPING, February 27, 1932—noon.
[Received February 27—3:40 a.m.]

279. Following from American Consul General, Harbin:

"February 26, 5 p. m., number 22.

1. More troops belonging to Murai Brigade arrived at Harbin yesterday and today.

2. Request of Japanese Military Mission that Chinese Eastern Railway trains be used to transport Japanese troops over the eastern line of railway where there are 225 Japanese and 20,000 Koreans was refused on the 23rd by Soviet. Vice president had informed them that no reply from Moscow was expected as this was a question which must be decided by Moscow and Tokyo.

3. Japanese consular and military authorities state that petitions have been received from Japanese and Koreans in the vicinity of the east line asking that Japanese troops be despatched to protect them. However, Russian railway officials state that conditions are quiet along the line.

4. The Japanese military have assured the Soviet Consul General that their troops would be despatched solely to protect the lives and property of Japanese and would not be stationed near the frontier. This contemplated enlargement of sphere of activity of Japanese forces appears to be a repetition of the old story."

For the Minister:
PERKINS

793.94/4460 : Telegram

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

SHANGHAI, February 27, 1932—5 p.m.
[Received February 27—9:36 a.m.]

121. Secretary of State's letter to Senator Borah was published in full in English language press of Shanghai on February 26th and Chinese translation made by this office was published in leading Chinese newspapers February 27th. No important Chinese editorial comment has yet appeared.

2. Kuo Min News Agency published statement issued by Sun Fo and Eugene Chen regarding letter. Following is paraphrase of certain portions; most significant passage is that Nine-Power Treaty must be considered in conjunction with agreement relating to disarmament in which United States willingly surrendered its then commanding lead in battleships' construction and left its position in Guam and

the Philippines without further fortifications. At this moment no single power can compel Japan to honor any treaty or international obligation to which she is a party. Neither America nor England alone can compel her though she can be coerced by Anglo-American naval combination. Should this combination be impracticable this last [task?] of restraining Japan in her course of violence must eventually fall upon America and America must set about to retain her commanding lead to naval construction. On this view the eventual armed intervention of the United States in the present war is a necessity not only because America's honor and prestige deeply involved in Japan's contemptuous violations of the covenants of the Nine-Power Treaty and the Kellogg Pact but because the safety and security of the United States and its nationals and possessions in the Pacific are under peril by the rulers of Japan.

[Here follow quotations from the Shanghai press.]

Copy to the Minister. Repeated to the Legation.

CUNNINGHAM

793.94/4462 : Telegram

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

SHANGHAI, February 27, 1932—6 p.m.
[Received February 27—10:40 a.m.]

122. My telegram No. 73, February 18, 7 p. m. Replies have been received to Senior Consul's letter February 18 to Mayor and Japanese Consul General regarding maintenance of trade and shipping.

Japanese reply dated 24th states *inter alia*:

"It has been the policy of the Japanese Government to cooperate with other powers concerned in keeping the trade and shipping of the port of Shanghai not interfered with, and the present crisis causes no alternative [*alteration?*] in this policy of my Government."

Chinese reply also dated 24th states:

"So far as the necessity of devising ways and means to keep up the commerce and shipping of Shanghai is concerned, the interested Chinese authorities and myself are in sympathy with you and your colleagues. This is why China has spared no effort in the maintenance and protection of the commercial and shipping interests of Shanghai since the outbreak of local hostilities and it is presumed that you are aware of the exertion on her part. The Chinese authorities sincerely and deeply regret, however, that the utilization of the Settlement area by the Japanese troops as a base of attack on the Chinese forces and the carrying out of their aggressive policy have already produced a most disastrous effect upon the commerce and shipping of the powers

at Shanghai. It is a matter of record that I have definitely and repeatedly told you and the representatives of the other friendly powers with whom the responsibilities should rest.

In view of your letter under acknowledgment, besides communicating with the Chinese authorities concerned so that they may continue the effort to maintain and protect the commerce and shipping of Shanghai, I have to transmit this reply for your information."

Copy to the Minister. Repeated to the Legation.

CUNNINGHAM

793.94/4461 : Telegram

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

SHANGHAI, February 27, 1932—7 p.m.
[Received February 27—10:50 a.m.]

123. Continuing my daily report 113, February 26, 4 p. m.

1. There is little change to report. Japanese military have devoted most of their time to reconnaissance and bombing work with planes. Some 40 planes are said to be in the air at once each plane remaining 1 hour. They claim to have destroyed approximately 10 Chinese planes at Hangchow in yesterday's raid. In addition to the raid at Hangchow they also machine-gunned a supplemental field at Soochow. In their activities in and around the Settlement the American marines report that 3 Japanese pursuit planes flew over the Settlement outside billet number 12.

2. A later report is to the effect that the Japanese have been bombing a fort near Paoshan Village. The Japanese now report that they have completely enveloped Kiangwan Village making it impossible for the Chinese defenders to hold out much longer. They also claim to have straightened their lines opposite Tazang Village.

Repeated to the Legation and Nanking. Copy to Minister.

CUNNINGHAM

793.94/4464 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 27, 1932—8 p.m.
[Received February 27—5:35 p.m.]

40. I discussed the substance of your 23, February 26, 7 p. m., with Drummond this afternoon who told me that he was personally opposed to any invitation being issued for the United States to take part in the Assembly and was dubious whether the Assembly legally had such

power. He felt that should the question be raised in the Assembly it would have to go to a legal committee for an opinion and if the opinion was favorable he expects debate would follow as to whether it was desirable and whether all other nonmember states should be invited. Thus a great deal of time would be consumed.

He felt that there had been much loose talk on the subject of severance of trade and financial relations mostly from countries with nothing to lose and that it was certainly most important to avoid giving Japan any pretext to declare war either on the League as a whole or on any member thereof. Nevertheless, everything should be done short of giving an excuse for such extreme action. It was his opinion that at the present moment the Japanese state of mind might be ready to go to war with even Great Britain "should economic sanctions be undertaken." For these reasons, he did not feel that any proposal of such a nature would obtain support and would surely be rejected. One danger was that the Assembly might try to pass judgment on Japan to the effect that she had violated the Covenant which would seem to entail the application of article 16. The Secretary-General agreed, however, that it would be an error to punish a prisoner before sentence was passed and thus it would be better to avoid passing any judgments till all the facts were at the disposal of the body, since the Covenant provides that the judgment itself would entail the immediate punishment.

Drummond's personal opinion was that the Assembly would probably adopt a resolution whereby all states undertook not to recognize solutions reached in this matter which were contrary to existing treaties and after that to set up an Assembly committee for executive action and eventually to report to the Assembly.

WILSON

793.94/4465 : Telegram

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

TOKYO, February 27, 1932—10 p.m.
[Received February 27—11 a.m.]

83. The French and British Ambassadors have both called today the purport of their call being to express the hope that the program indicated in my numbers 61 and 66 [9] (last paragraph) could be adhered to. They feel that the effect of the Secretary's letter to Senator Borah has been extremely injurious here and has made the situation much more tense, bringing it nearly to the danger point and has resulted in a

[9] February 11, 10 p.m., and February 14, 9 p.m., respectively, pp. 286 and 330.

feeling of pressure being exerted upon the Japanese from the outside such as we had hoped could be avoided for the reason given in the second point raised in my telegram No. 70.[10] The effect of the publication here of the letter certainly will tend to silence for the present the influences working from within for the correction of this difficult situation. The Japanese officials and the Japanese public interpret the Secretary's letter as being distinctly provocative. Many of the daily papers are talking now of war, some refer to it as another world war; but it is undeniable that the United States is looked upon as the probable enemy. An economic boycott such as is suggested in the United States by people looked upon here as responsible is openly regarded as tantamount to war.

The feeling of tension which in my telegram No. 64[11] (last paragraph) I indicated as having been allayed, has become greatly increased again. And while none of the saner heads here want war or failed to see how disastrous it would be they are not entirely in control and in the present state of public feeling and war frenzy an apparently small matter might precipitate a serious situation.

De Martel had a long talk yesterday with Yoshizawa whom he found greatly disturbed about the Secretary's letter which the Foreign Minister reports has been very badly received.

Lindley also feels that the leading position the United States has taken in the publication of repeated protests and the vigorous tone of our expression of disapproval of Japan's course, and especially the Borah letter, has made the Japanese public feel that the United States is their enemy, the result may be that we would be the last of the big nations Japan would turn to as a mediator or conciliator. Lindley is advising his Government again urging a waiting attitude. Both he and De Martel express the hope that no further official expressions of the United States of the sort that the Japanese will interpret as provocative will be forthcoming until the present wave of resentment has died down and time given for the war frenzy now controlling the situation to subside. I strongly advocate this policy.

FORBES

793.94/4446½

Memorandum of Trans-Atlantic Telephone Conversation[12]

MR. WILSON: Hello, Mr. Secretary. Simon asked me to call this afternoon. He has seen Matsudaira twice today. Matsudaira talked

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[10] February 16, 10 p.m., p. 364.
[11] February 12, 6 p. m., p. 299.
[12] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, February 27, 1932, 12:50 p.m.

to him along the same lines that he talked to Gibson and Davis. You remember those telegrams?

SECRETARY: Yes, I remember them.

MR. WILSON: Simon has a strong impression that the Japanese would like to have a cessation of hostilities suggested. Simon feels it is the time for successful intervention.

SECRETARY: I don't get that. You mean the time is ripe?

MR. WILSON: Yes, he thinks the time is ripe and that it is the essence of successful intervention and that the occasion when the maximum pressure be put on Japan is within the next two or three days before the Assembly meets on Thursday. Sir John suggests he might write an identic letter to Matsudaira to express willingness, to tender good offices in order to stop further fighting. He is [*has?*] immediately in prospect to bring about a return to peaceful conditions in the Shanghai area. The proposed basis would be as follows:

1. An immediate cessation of hostilities consolidated by arrangements made between the Commanders in consultation with the military and naval authorities of the other principal powers represented in Shanghai who would render more possible assistance.
2. A declaration by Japan that she has no political territorial desires in the Shanghai region and no intention of establishing a Japanese Settlement in Shanghai or of otherwise advancing the exclusive interests of the Japanese.
3. A declaration by China that she would enter the negotiations on the basis that the International Settlement must be preserved intact under arrangements which will secure the Settlement area and its residents from future dangers.

SECRETARY: Well, what does that mean?

MR. WILSON: It means that the Japanese are apparently afraid of the Communistic sentiment of the Nineteenth Army—the Cantonese Army.

SECRETARY: Well, it means virtually a neutral area around the Settlement.

MR. WILSON: No, Sir, I don't think so because the Japanese have sent a new note to the League of Nations in which they disclaim any intention of establishing a neutral area.

SECRETARY: Yes, I see.

MR. WILSON: Mr. Secretary, Sir John wants to continue.

SECRETARY: Is this you speaking or Sir John?

MR. WILSON: Sir John. ——"I have consulted the powers deeply interested in the International Settlement and I am authorized to say that they will be prepared to associate themselves in this effort to secure the cessation of fighting and the holding of a conference on the basis and with the object above stated."

MR. WILSON: Now, I am speaking again, Mr. Secretary. We have considered this here and we think that the final paragraph would be much more forcible if we could simply add to Sir John's letter something in the following sense:

"The Governments of the United States, France and Italy, associate themselves with Great Britain in the proposal submitted for securing the cessation of fighting and the holding of a conference on the basis and with the objects therein stated." That is the end. That is to be signed by the representatives of the three powers.

SECRETARY: What exactly is that conference to cover?

MR. WILSON: Mr. Secretary, it is not very clear exactly what the conference will cover but it will cover fully bringing peace to Shanghai.

SECRETARY: It only relates to Shanghai?

MR. WILSON: Yes, Sir, I think so.

SECRETARY: That is the point I want to be careful about. I don't want any commitments about Manchuria.

MR. WILSON: There are not any. Sir John's idea is to take care only of the immediate situation at Shanghai.

SECRETARY: I am willing provided it does not deal with the other because we don't intend to give up that.

MR. WILSON: Righto, I will make that clear to Sir John.

SECRETARY: Because we don't intend to give that up.

MR. WILSON: We could arrange with Sir John to put in the last paragraph that this was no precedent or commitment—that nothing is to be done with the Manchurian affair.

SECRETARY: The fact that this does not include Manchuria is not to be taken as any precedent against the full treatment of that hereafter. Don't you think so, Rogers?

MR. ROGERS: Yes, I was wondering whether we couldn't say that the powers still maintain the position taken in the previous note, or something like that.

SECRETARY: Tell Wilson that.

MR. ROGERS: Hello, Wilson, this is Rogers. I was thinking if the note could be framed in such a way that the position taken in the previous offer of good offices was still preserved by the powers in which they insisted on international conference as the settlement of the whole Oriental difficulty.

MR. WILSON: Would you make that a condition to Japan?

SECRETARY: No, simply a statement that nothing that they do here is to be taken as any waiver of the position heretofore taken by them.

MR. WILSON: Mr. Secretary, do you like the alternative suggestion we made?

SECRETARY: Well, which alternative, you mean the last paragraph—what does that take the place of, I don't quite understand.

MR. WILSON: It is merely a message. In Sir John's suggestion he signs the letter saying that he is authorized by the other Governments to say that they associate themselves. In our suggestion we propose that Sir John sign his letter [and?] that the other three nations add to it a declaration that they associate themselves.

SECRETARY: Well, if they do that I want to be darn sure that that sentence about Manchuria is either in Sir John's letter or ours jointly.

MR. WILSON: Yes. I will, of course, call you again when I speak with Sir John on this.

SECRETARY: Now, Wilson, I am not so sanguine as Sir John that this really means anything—that it will be effective.

MR. WILSON: Mr. Secretary, Matsudaira has again cabled his Government and asked for the answer of Japan tomorrow—an intimation as to whether it would be agreeable and this intimation will come before we send the letter.

SECRETARY: Well, we want to get their intimation first.

MR. WILSON: Make it contingent upon such a thing, if you so desire.

SECRETARY: Yes, I think we ought to have a distinct intimation from Japan before we send any such letter as this.

MR. WILSON: There has been some intimation.

SECRETARY: Here is the point. I don't think either Matsudaira or Debuchi have sufficient influence with their Government and Debuchi has been saying a little of the same thing to me but it has been personal. I think their Government is perhaps behind them but I have my doubts, and I would like to have the intimation made by Japan. Did you get that, Wilson?

MR. WILSON: Yes, I got it.

SECRETARY: We are getting these intimations but we are not at all sure that they are from the Government. They may be simply an alarm on the Japanese abroad. I think Sir John had better have a pretty distinct intimation before he sends any such proposition. We have made one proposition and it has been rebuffed.

MR. WILSON: Yes, Mr. Secretary, but I think you will find that Matsudaira has more influence in Japan than some others.

SECRETARY: He hasn't any too much.

MR. WILSON: I will talk to Sir John again and say that the United States will await the intimation from Matsudaira before any action is taken. You will be consulted before any action is taken.

SECRETARY: Yes, all right. I think this is hopeful. Debuchi has been here just now[13] with something rather similar but it has been

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[13] See memorandum of conversation, February 27, 1932, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 201.

wholly personal and I would like to know that it is hitched up with the Government. We have made a suggestion and it has been knocked down and the two things that I want are a distinct intimation that our good offices are welcome and, second, that they don't ask us to waive that position that we took before relating to Manchuria and relating to the nature of the negotiations between China and Japan. You remember when we suggested neutral observers, otherwise it may be just that they are getting all they want. If they get an admission of that they would be. Now we are not prepared to give that up.

MR. WILSON: Yes, Mr. Secretary, I understand thoroughly.

[Here follows conversation on a purely personal matter.]

SECRETARY: . . . How is everything going over there. Have there been any further repercussions about the Borah letter?

MR. WILSON: I have yet to see anybody who isn't delighted with it.

SECRETARY: It has not done any harm, I hope?

MR. WILSON: On the contrary. The newspapers say it is a splendid piece of work.

SECRETARY: All right, good-night.

793.94/4466 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 27, 1932—midnight.
[Received February 27—11:40 p.m.]

41. Telephone communication apparently impossible tonight.

I have seen Sir John Simon and have spoken to him regarding your views.

Point 1. Regarding the proposals that the action contemplated is not to be construed as a waiver of the position heretofore taken by the powers in their former notes and statements Sir John is in hearty accord and thinks the suggestion of value.

[Point] 2. Regarding the necessity for a further intimation from Matsudaira as to the acceptability of this action to the Japanese Government Sir John suggested that we are on the edge of a serious battle, that anything that he can do with even moderate hope of success is worth the effort and that certainly our public would approve our action in any endeavor to prevent such a catastrophe. Matsudaira had told him of Debuchi's *démarche* and this strengthened the conviction of Sir John that the Government was at least hopeful that such a *démarche* would put them in a position to make their desire prevail for a cessation of hostilities.

Point 3. Since speaking to me this afternoon Sir John had seen Boncour and Grandi and found them, he thought, very favorable to the

idea but his own ideas after talking to them have undergone some change. He points out that he would like, if possible, not to disassociate the Council from this attempt and what he would like to do would be to have a meeting of the Twelve Monday morning,[14] present to them a draft of a letter to Matsudaira and Yen. He is convinced that he can get approval to any draft which he proposes, that the Council members will be delighted at Great Britain taking the initiative in the Council in this respect and he envisages this letter to contain a suggestion from the Council that the negotiations regarding the cessation of hostilities and the subsequent negotiations for the reestablishment of peace in Shanghai be left to the powers directly interested, at the same time making it known that the United States is ready to cooperate in this step for the reestablishment of peace.

Point 4. Simon suggests that he, Drummond, Norman Davis and myself meet for lunch tomorrow and draft text of resolution to be presented to Council by Simon as well as a letter from me to Drummond stating that the United States would be happy to cooperate with the other powers principally interested in Shanghai who have been designated by the Council to restore peace. The intention is that the text should be ready to be handed in the moment the resolution is passed.

Point 5. Your suggestion which I have discussed in point 1 will, of course, be incorporated in the Council resolution.

Point 6. I will telephone tomorrow evening at approximately 12 o'clock Washington time to submit to you drafts of Council resolution and my proposed letter.

WILSON

893.01 Manchuria/15 : Telegram

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

PEIPING, February 28, 1932—1 p.m.
[Received February 28—12:45 p.m.]

283. Following from American Consul General at Mukden:

"February 27, 4 p.m. Reliably informed Pu Yi will be installed as Provisional Executive of the new state at Changchun on February 29 and that Declaration of Independence from China will be issued at that time and transmitted to foreign governments. For several months Pu has been under Japanese protection in the leased territory.

A 3 days' demonstration in support of the formation of the state, organized by the municipal authorities, is being held at Mukden beginning today. Demonstration is taking the form of free theatres,

[14] February 29.

dragon parades, and meetings of representatives of the districts. Printed pamphlets are being widely distributed. No enthusiasm is noticeable."

For the Minister:
PERKINS

793.94/4470 : Telegram

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

SHANGHAI, February 28, 1932—5 p.m.
[Received February 28—10:50 a.m.]

124. 1. Continuing my daily report. Continued aerial raids, cursory bombardment Chapei, sporadic fighting along entire line, arrival of both Japanese and Chinese reinforcements, great destruction property by numerous fires in Chapei, heavy casualty lists are prominent features of 31st day of Sino-Japanese conflict. Thirty-one days of successful defense by Chinese forces in vicinity of Shanghai has astounded and aroused the admiration of all observers. The arrival of Japanese reinforcements, their aircraft, superior and heavier armament, their adequate supply of ammunition, greater discipline and military efficiency, complete unity of purpose must prevail over Chinese in a very short time. Pin pricks will follow for a very long time the major conflict. The 19th Route Army has won for itself the gratitude of the mass of Chinese and while its commander has constantly declared that it was a part of the National Army the well-informed have not yet been able to accept without reservation that such assurance carries with it the support of any large number of the commands of other divisions who [are] unquestionably jealous of his successful defense. There are many evidences that both disputants are weary of the hostilities and this gives hope of the correctness of the views expressed in today's news from Tokyo that there is hope for a mutual agreement for evacuation and withdrawal.

2. The restoration of the International Settlement to municipal authorities has advanced considerably during recent days and an officer of the Settlement states that functioning is "quite a bit better". Much remains to be done, however, before it will come completely under the control of the municipality, nor will it be complete until the withdrawal of Japanese forces whose continued occupation has resembled that of a dictator.

3. American evacuation plans were issued last night, hoping to allay the nervous tension aroused by the issuance of the first notice

cards for evacuation to the British subjects some days since. I am satisfied that the likelihood of a state of extreme emergency is very remote and the publication of plans may inspire the thousands of Americans with confidence imprecipitating [*in the?*] arrangements that have been made. Obviously shells will continue to fall in the foreign area so long as hostilities continue in environs. We have been quite lucky so far and it is certain that both disputants are making some effort to prevent serious harm from outside the Settlement to that part of the Settlement which is south of Soochow Creek. The internal precautions taken by the police authorities and foreign military forces are as good as can be made. Those in charge are prepared to evacuate Americans in event of extreme emergency but I have confidence such extreme emergency is very unlikely indeed.

Repeated to Legation and Nanking.

CUNNINGHAM

793.94/4465½

Memorandum of Trans-Atlantic Telephone Conversation [15]

MR. WILSON: Hello, Mr. Secretary, have you received my telegram No. 51 [*41?*]?[16]

SECRETARY: I have your 41, yes, but not 51.

MR. WILSON: The draft proposal——

SECRETARY: Well, now, wait a moment. Let me say something to you first. In the first place, I want to caution you against too much telephoning. Send what you can by cable. It is much more satisfactory. The connections are not good enough.

MR. WILSON: Yes.

SECRETARY: Now, the next thing, I want to give you the three points that I have had to consider in regard to the thing you telephoned me yesterday from Simon and also your reports before you give me the new matter. I want to give you these points. Simon's letter does not cover the details of the cessation of hostilities and it does not cover matters which will be the points on which there will be differences and trouble. I understand from that that he intends to leave those matters to be settled in Shanghai. Is that right? Have you got your proposed Simon letter again before you?

MR. WILSON: Yes.

SECRETARY: Well, now, No. 1 point reads as follows: "An immediate cessation of hostilities consolidated by arrangements made between

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[15] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, February 28, 1932, 1:40 p.m.

[16] February 27, midnight, p. 462.

the commanders in consultation with the military and naval authorities ——." I suggest that you put in there "the military, naval and civilian authorities".

MR. WILSON: Quite right.

SECRETARY: Now I understand that that leaves such details as the extent of the withdrawal of the Chinese to be arranged there.

MR. WILSON: Correct. Yes, sir.

SECRETARY: Subject to such instruction as may be given to our Minister there. Now I want to make this clear. You must be very careful and tell Sir John that we are unwilling to put ourselves in a position of bringing pressure upon the Chinese by the four powers to accept a manifestly unfair settlement in these respects. Do you see what I mean?

MR. WILSON: I understand that perfectly.

SECRETARY: The two powers—China and Japan—have been quarreling over how much each one shall withdraw. Each power is trying to save its face at the expense of the other. Now our people must be extremely careful not to bring the pressure of the four powers behind Japan and against China or vice versa. That arrangement must be manifestly fair on its face. Do you see?

MR. WILSON: Yes.

SECRETARY: Because that is the thing that is going to make more trouble than anything else. Now turn to No. 3 of Simon's draft. Have you got that?

MR. WILSON: Yes.

SECRETARY: "A declaration by China that she would enter into negotiations on the basis that the International Settlement must be preserved intact." I am afraid that that will look to the Chinese as if the four powers were trying to take advantage of the Japanese attack on Shanghai to settle up some old scores of their own against China.

MR. WILSON: Yes, I understand.

SECRETARY: I don't like the word "intact". If Sir John means merely that China will make a declaration that she will enter into negotiations on the basis of securing life and property in the Settlement, preserving them from danger, that would be different. But I am afraid that as he has drawn it, China will think that we are trying to force a settlement in our favor on the extraterritoriality system.

MR. WILSON: I see. I hadn't thought of that.

SECRETARY: Well, you must think of it and tell Simon he must think of it. Now, in the next place, get this. I don't want anything in this proposed truce or settlement—there must be no understanding that this settlement which we are trying to make between China and Japan will by implication promise that the Assembly will not act in the way

of giving notice that they will not recognize any settlement in violation of treaties. In other words, there must be no implication in this settlement that we agree that the Assembly shall not follow the suggestion that I made in my letter to Borah. Is that understood?

MR. WILSON: Yes, sir.

SECRETARY: Well, now, in the fourth place, after consideration of it, I rather like Sir John's original No. 4 about the other powers associating themselves with Great Britain better than the one which you proposed. I want to throw all the initiative upon Great Britain. You see?

MR. WILSON: Yes. Mr. Secretary, do you mind the initiative coming from the Council as I told you in my 41?

SECRETARY: No, if I understand it correctly. I understand from your 41 that the Council will simply express its willingness or its invitation to have the four powers act.

MR. WILSON: That it does. I have the draft of their proposal here.

SECRETARY: Read it to me slowly so that the stenographer can get it.

MR. WILSON: This is proposed to be read at a meeting of the Council tomorrow by the President of the Council.

"The imminence of hostilities lies still in the Shanghai region between Chinese and Japanese forces and its inevitable consequence, heavy loss of life and further embitterment of feeling, makes it at this critical moment the duty of all of us to lose no opportunity of seeking means by which this armed conflict by two members of the League may be suspended and a way to peace may be found and followed.

The President called together his colleagues on the Council for the purpose of laying before them a proposal which might serve to this end. For its effective execution, this proposal will require [not?] solely acceptance of the Governments of China and Japan by the [*but later*] cooperation on the spot of the other Governments who have special interests in the Shanghai settlement and whose representatives are therefore thoroughly available to make the local contribution of their friendly aid which is no less necessary than the positive and sincere agreement of the Chinese and Japanese authorities to the plans proposed.

It is as follows: An immediate cessation of hostilities consolidated by arrangements made between the commanders in consultation with the military and naval authorities—— ["]

SECRETARY: Put in there ["]civilian["].

MR. WILSON: Yes. ——["]of the other principal powers represented in Shanghai who would render all possible assistance. 2. A conference to be immediately set up in Shanghai composed of representatives of China and Japan, together with representatives of the powers above

referred to for the purpose of bringing about a final conclusion of fighting and the restoration of peaceful conditions in the Shanghai area. 3. The conference to be undertaken on the basis (*a*) that Japan has no political or territorial designs in this region and no intention of establishing a Japanese settlement in Shanghai or of otherwise advancing exclusive interests of the Japanese and (*b*) that China enter the conference on the basis that the[17] International and French Settlements must be[18] preserved intact under arrangements which will secure these areas and their residents from future danger."

Now I will make a note of your suggestion which will apply to that.

"Now this proposal, which is aimed at the immediate reestablishment of peace in the Shanghai area without prejudice to or qualification of the position previously taken up by any power in relation to Sino-Japanese affairs, the President desires in the name of himself and his colleagues to invite the adherence and cooperation both of China and Japan and of the other powers referred to whose local position enables them to make a special contribution to the common purpose of stopping armed conflict and to restoring peace."

That is the end of that document. Now we have been thinking here that Sir John Simon in supporting that document and seconding the proposal of the President, Paul-Boncour, makes it clear that he has been in consultation with the American Government and is glad to be able to communicate the assurance that the American Government is prepared to associate itself with this step and to instruct its representatives in the Shanghai area to cooperate with the other interested powers. We have also drafted a letter which I might give to Drummond after the proposal has been accepted by the Council. Of course I will give it to him when the whole Council has adjourned—nothing public about it.

"My dear Sir Eric:

In reply to your letter of today's date in which you inform me of the proposal made by the Council [(]which the Chinese and Japanese representatives have promised to transmit immediately to their respective Governments[)] concerning the cessation of hostilities in the Shanghai area and a conference for the restoration of peace within that zone, I have to inform you that the Government of the United States is happy to associate itself with this effort [for] the reestablishment of peace.

The [*My*] Government will instruct its representatives in Shanghai in the event that this offer is acceptable to the Chinese and Japanese

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[17] At this point in the original memorandum, Mr. Stimson inserted the words, "safety and integrity of the".

[18] Apparently as a possible substitute for the remainder of this clause in the original, Mr. Stimson inserted the following: "maintained under arrangements which will preserve them from further danger".

Governments, to cooperate with the representatives of the other powers."

Now that is the whole program, Mr. Secretary. See if you don't think that paragraph No. 4—my last paragraph on the draft proposal—takes care of your preoccupation regarding the excluding of the Manchurian matter.

SECRETARY: Well, I thought it was rather weak as you read it.

MR. WILSON: May I read it again to you? "Now this proposal, which is aimed at the immediate reestablishment of peace in the Shanghai area without prejudice to or qualification of any position previously taken up by any power——["]

SECRETARY: No, no. There is a weakness right there because the Council of the League has taken up just as strong a position on Manchuria as we have and I will not let them duck out of it.

MR. WILSON: "Previously taken up by the Council or any powers"?

SECRETARY: Yes, "by the Council of the League of Nations or any power".

MR. WILSON: "previously taken up by the Council of the League of Nations or any power". Yes, that strengthens it.

SECRETARY: You bet. You have got to watch that every time. The other would be too weak. I would not accept it. Well, now, I think you have got to let me have time to think this over, and I would like to know what answer they make to my suggestions that I read to you first.

MR. WILSON: I am almost certain that they will accept those, Mr. Secretary. There won't be any difficulty about that.

SECRETARY: Well, I will look over it with every effort to agree. I may have one or two suggestions that I can cable you.

MR. WILSON: Mr. Secretary, can't you telephone again because it is acting tomorrow morning.

SECRETARY: I know, but if I cable you, won't my cable get to you for tomorrow morning?

MR. WILSON: Not in time to take action with all the interested powers. You see, it is now here half-past seven and that means that if I get a telegram from you, I won't be able to have it until 9 o'clock tomorrow morning, if then, probably 10 o'clock tomorrow morning, and it does not give us time to do anything.

SECRETARY: What time do they meet?

MR. WILSON: It is not set definitely. They want to meet at 11, if possible. It is a question of saving hours before the fighting starts again.

SECRETARY: I know, but they are not going to start in any such hurry as they think. What I mean is that if the Japanese are in the frame of mind which makes this matter a successful possibility and if they

know that we are conferring on this subject, I can hardly conceive of their rushing ahead with a new attack. But I will do it as quickly as I can, but I must have time to think and I must have time to confer here.

MR. WILSON: Yes, sir, of course, but I wonder if you couldn't telephone me this evening.

SECRETARY: I will try to telephone this afternoon.

MR. WILSON: If you could do that, I will stay in any time. I want to see Sir John, of course, tonight.

SECRETARY: I will try to telephone you before four o'clock this afternoon—that's ten o'clock your time.

MR. WILSON: Mr. Secretary, Simon is very anxious to summon Matsudaira and to have me present. He is under the impression that pressure on Japan is apt to be effective and he feels that Matsudaira must be convinced of the unity of purpose of Great Britain and America and of the grave danger to Japan which the Assembly might possess if they have done nothing beforehand. Do you care to have me do that with him?

SECRETARY: No, I would not. It is enough for Sir John to assure him that he has conferred with us. No, I don't think you had better go, and I don't want any implication, as I told you before, that if this thing is done, the Assembly will not act at least to the extent of giving notice that they will not recognize any settlement which is made in the violation of a treaty. That must be absolutely clear, otherwise I won't go in. I want you to say that to Sir John and watch his reaction.

MR. WILSON: Just repeat that to me.

SECRETARY: That in going into these negotiations, there is no implication that if such a settlement is made, the Assembly will not act in respect to making a resolution that they will not recognize any situation or settlement which is in violation of the existing treaties.

MR. WILSON: Yes.

SECRETARY: Well, now, look at my Borah letter. You have got it—you see what the thing is.

MR. WILSON: There is one other point. Matsudaira has not yet received definite instructions from his Government. There are, therefore, three hypotheses which you might contemplate: (1) that he will be instructed to accept for Japan; (2) that he will be without instructions but will be willing to transmit the proposal; and (3) that he will be instructed to decline the proposal. Under the third assumption, you would not want the United States to be associated?

SECRETARY: No, no.

MR. WILSON: Just a minute, sir. Yen called this afternoon to see me, and he told me that he would be entirely satisfied with the proposed

arrangement if we expressed ourselves satisfied. I spoke, of course, to Sir John Simon regarding it.

SECRETARY: We can't tell until we see what the proposals are.

MR. WILSON: He is entirely trusting that if we come in with this, he will be reassured.

SECRETARY: He means any proposals in these original letters that we are discussing now.

MR. WILSON: No, he means this idea of the Council putting it up.

SECRETARY: I know what you mean. That is what I mean. But the real trouble will come at Shanghai and I can't pass on that until that comes. Do you understand?

MR. WILSON: Yes, I won't say a word to Yen, of course, until I hear from you again.

SECRETARY: All that you can assure Yen is that we see no objection to the present proposals so far as they have gone. Do you see that?

MR. WILSON: Yes.

SECRETARY: The real danger of the controversy will come in the details which are to be settled at Shanghai.

MR. WILSON: Of course. All right.

SECRETARY: All right. Goodbye.

793.94/4492a : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, February 28, 1932—5 p.m.

24. In view of delay in getting telephone connection, I am sending this to answer your questions of today by telephone. Provided that the suggestions which I made to you by telephone are acceptable, I think that the proposed program is satisfactory and you may proceed accordingly. For greater certainty, I repeat the amendments on which I insisted this morning.

1. That the civilian authorities shall be associated with the military authorities of the four powers at Shanghai. I wish to be sure that we are represented there by our Minister Johnson.

2. It must be carefully understood that we shall press for no conditions of the truce at Shanghai which are manifestly unfair to either side. In particular we must carefully avoid putting ourselves in the position of bringing pressure by the four powers upon the Chinese in favor of an arrangement specially benefiting either the Japanese or the other foreign powers. In particular I am afraid of the present language in Simon's article 3 to the effect that the International and French Settlements must be preserved intact. This may be under-

stood by the Chinese as an attempt to foreclose extraterritorial negotiations in favor of the powers.

3. The reservation as to Manchuria must apply to the position previously taken by the Council of the League of Nations as well as that taken by any power.

4. Throughout these negotiations there must be no implication which will relieve the Assembly from the responsibility, if it chooses, of adopting a resolution whereby all nations undertake not to recognize solutions reached in this matter which are contrary to existing treaties.

5. I not only have no objection but should prefer to have your proposed letter associating us with the proposed *démarche* published.

STIMSON

793.94/4473 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 28, 1932—midnight.
[Received February 28—10:40 p.m.]

42. Confirming telephone conversation this evening,[19] text follows herewith of the draft proposal to be read by the President of the Council and handed to the Japanese and Chinese representatives at the meeting of the Council presumably Monday:

"1. The imminence of hostilities on the largest scale in the Shanghai region between Chinese and Japanese forces with the inevitable consequence of heavy loss of life and further embitterment of feeling makes it at this critical moment the duty of all of us to lose no opportunity of seeking means by which this deplorable armed conflict between two members of the League may be suspended and a way to peace may be found and followed.

2. The President has therefore called together his colleagues on the Council for the purpose of laying before them a proposal which might serve to this end. For its effective execution, this proposal will require not only the acceptance of the Governments of China and Japan, but later cooperation on the spot of the other principal powers who have special interests in the Shanghai Settlements and whose representatives are therefore readily available to make the local contribution of their friendly aid which is no less necessary than the positive and sincere agreement of the Chinese and Japanese authorities to the plan proposed.

3. This plan is as follows:

(1) An immediate cessation of hostilities consolidated by arrangements to be made between Japanese and Chinese commanders in consultation with the military, naval and civilian authorities of the other principal powers represented in Shanghai who would render all possible assistance.

[19] Memorandum of conversation not printed.

(2) A conference to be immediately set up in Shanghai composed of representatives of the Governments of China and Japan together with representatives of the other powers above referred to for the purpose of bringing about a final conclusion of fighting and the restoration of peaceful conditions in the Shanghai area.

(3) The conference would be undertaken on the basis

(*a*) That Japan has no political or territorial designs in this region and no intention of establishing a Japanese settlement in Shanghai or of otherwise advancing the exclusive interest of the Japanese, and

(*b*) That China enter the conference on the basis that the safety and integrity of the International and French Settlements must be preserved under arrangements which will secure these areas and their residents from further danger.

(4) To this proposal, which is aimed at the immediate reestablishment of peace in the Shanghai area, without prejudice to or qualification of any position previously taken by the League of Nations or any power in relation to the Sino-Japanese affairs, the President desires in the name of himself and his colleagues to invite the adherence and cooperation both of China and Japan and of the other powers referred to, whose local position enables them to make a special contribution to the common purpose of stopping armed conflict and restoring peace."

WILSON

793.94/4475 : Telegram

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

SHANGHAI, February 29, 1932—10 a.m.
[Received February 29—8:35 a.m.]

I learn on what appears to be reliable authority that Japanese are extending feelers for conference with Chinese on the basis of mutual withdrawal. Japanese are understood to be suggesting in addition a round-table conference of all powers to discuss future of Shanghai. At such a conference it is stated Japanese will propose a demilitarization of 20-kilometer area and that area covered by Chapei both south and north of railway and area between Woosung Railway and Whangpoo River north of Yangtzepoo to be added to area of International Settlement. Japanese state they desire no concession of their own.

Above obviously is a bid for foreign support of Japanese terms.

I am informed authoritatively that a meeting of both sides participated in by Matsuoka and Wellington Koo actually took place last

night on His Britannic Majesty's ship *Kent* but I am still trying to get confirmation of above proposals. I have no doubt, however, that above represents military idea of suitable settlement of what Japanese are pleased to term the Shanghai question. As a government I suggest that we will have to consider our attitude toward this or some similar set of proposals in light of our known policy in regard to Shanghai. Proposal to add suggested area to International Settlement would be a blow to Chinese pride as area in question is place where they were planning to establish administrative center of new and greater city of Shanghai. My informant Hallett Abend, who I understand telegraphed above to *New York Times*, states that above proposals were laid before Chinese last night who referred them to Nanking and Loyang.

JOHNSON

793.94/4476 : Telegram

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

SHANGHAI, February 29, 1932—2 p.m.
[Received February 29—9:25 a.m.]

My February 29, 10 a.m. At the request of Admiral Nomura two and a half hour conference held on H. M. S. *Kent* beginning 1 p. m. February 28th. Japanese representatives Matsuoka and Nomura; Chinese representatives Koo and Gaston Wong; neutrals Admiral Kelly and Commodore Leighton.

The principle of mutual and simultaneous evacuation agreed to. The Japanese, Chinese and neutral Commission to control evacuation and Chinese to police. No agreement made on 20-kilometer demand. The Japanese resisting because it was in their original demands. Chinese likewise resist. They discussed various proposals including the temporary evacuation of Woosung. A proposal to make the radius 10 miles or the Chinese to withdraw to Chenju and the Japanese to the Settlement and then Chinese withdraw to Nanziang until Japanese embark.

Both sides have forwarded proposals to their Governments. Chinese reply expected today. Japanese reply expected on March 2nd when the next meeting will take place and will include military commanders.

JOHNSON

793.94/4469 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, February 29, 1932—2 p.m.
[Received February 29—9:05 a.m.]

45. In view of situation outlined in my 44, February 29, 1 p. m.,[20] of which Simon thinks Matsudaira has knowledge, it is desired by Simon and Drummond slightly to alter phraseology of the proposal to be made by the President of the Council in respect only of paragraph 3.

It is proposed that that [*sic*] point 2 shall become point 1, point 3 shall become point 2, and that then follows a paragraph in which the Council welcomes the news of negotiations which are proceeding for the immediate cessation of hostilities, offers assistance if desired of civilian, military and naval authorities of interested powers to consolidate the arrangements.

Drummond and Simon are now very anxious to hold the Council meeting late this afternoon and are now seeing Matsudaira for this purpose. I shall, therefore, feel obliged to telephone you as soon after 10 o'clock, Washington time, as I can reach you in order to lay before you the proposed text of the new point 3. The other procedure remains as already agreed upon. We believe here as do Drummond and Sir John that the changed phraseology will not affect the situation except perhaps for the better and that the whole arrangement should stand.

We believe, as we feel sure you will, that advantage should be taken of this matter as urgently as possible but before giving final approval we hope to hear from you.

WILSON

793.94/4474½

Memorandum of Trans-Atlantic Telephone Conversation[21]

MR. WILSON: Hello, Mr. Secretary?

SECRETARY: Yes, is that you, Hugh?

Mr. WILSON: Yes. Have you got my 44[22] and 45[23] of this morning?

SECRETARY: Yes, I have them here.

MR. WILSON: You have them. The Council of Twelve is now sitting.

[20] Not printed; same information in more detail given in telegram of February 29, 2 p.m., from Shanghai, *supra*.

[21] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, February 29, 1932, 10 a. m.

[22] Not printed.

[23] *Supra*.

The public session will meet at six o'clock Geneva time: in two hours. In the President's proposal a slight alteration has been made to the effect in the first paragraph that the news that we have received from the British representative that conversations actually took place yesterday at Shanghai with a view to making arrangements for a cessation of hostilities and that the proposed arrangements be referred to their respective governments is welcomed by us all and the Council of the League is ready to make its contribution to the work of the consolidation of peaceful conditions in the way and at the time which is most useful.

[Here follows explanation of changes in statement. For final text, see telegram No. 92, February 29, 7 p.m., from the Consul at Geneva, printed on page 479.]

SECRETARY: Yes. Well, I don't see that that makes any material change in what you had before, does it?

MR. WILSON: No, it simply coincides with the new information.

SECRETARY: Yes, the new information.

MR. WILSON: Mr. Secretary, Yen tells us that his Government has agreed to the terms of an armistice; that the Japanese have confirmation that negotiations are going on and they feel very hopeful about them.

SECRETARY: Yes, I see. In other words, China has already agreed and we are waiting for Japan?

MR. WILSON: That is it. This afternoon the Japanese delegates will accept the proposal and [*ad?*] *referendum.*

SECRETARY: Yes, I see.

MR. WILSON: The Chinese delegation will recommend its acceptance to its Government. Now that is all I have to tell you, with one exception. My letter to Sir Eric—have you a copy before you?

SECRETARY: Yes, I have it right here.

MR. WILSON: Well, now it reads as follows:

"My dear Sir Eric:

In reply to your letter of today's date in which you inform me of a proposal made by the Council (which the Chinese and Japanese representatives have promised to transmit immediately to their respective Governments) concerning a conference for the restoration of peace within the Shanghai area and the negotiations now going on towards the immediate cessation of hostilities in that zone, I have the honor to inform you that the Government of the United States is happy to associate itself with this effort towards the re-establishment of peace." The second paragraph is the same as before. Have you got that?

SECRETARY: Yes, I get that. Wait a minute. I assume that the

reservation about the Manchurian matter is still in the Council's proposal?

MR. WILSON: Certainly. That is right intact.

SECRETARY: Yes, I see, and nothing has occurred to change my wishes about the Assembly's freedom?

MR. WILSON: No, on the contrary, that is stronger than ever. It is the impression that that must be done.

SECRETARY: All right, that is first rate. Go ahead, I am very glad to hear it.

MR. WILSON: Yen has sent this telegram over to us, which he received from his Government.

SECRETARY: A new telegram you are going to read me?

MR. WILSON: Yes, it says that "the British Admiral Kelly invited Koo and other Chinese and Japanese authorities to a meeting on his flagship. Here he proposed cessation of hostilities and simultaneous withdrawal of troops of both sides to be supervised by neutrals. This is to be followed by the Japanese embarking. We find the proposal reasonable and are inclined to accept, though the Japanese, who are referring it to their Emperor, may reject". Is that all, Mr. Secretary?

SECRETARY: That seems to be all right. You can go ahead.

MR. WILSON: All right. Goodbye.

793.94/4476 : Telegram

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

WASHINGTON, February 29, 1932—4 p.m.

60. For the Minister. Your February 29, 10 a. m. and 2 p. m.

Wilson has informed me from Geneva of a project which the Council has under consideration in support of the plan for a conference on cessation of hostilities. I have authorized the association of this Government with the project, but with express stipulations that advantage is not to be taken of the present situation to advance proposals which would be unfair to either side or which would involve the seeking of special advantages for Japan and/or the other foreign powers, that the whole matter shall be without prejudice to any position which has hitherto been taken by the League or by any power in relation to the current dispute between China and Japan, and that at the proposed conference, if and when held, there must be present civil officials of the powers represented.

Please keep me posted as fully as possible with regard to developments in relation to this project.

STIMSON

644591—48——37

493.11 Shanghai/14 : Telegram

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

WASHINGTON, February 29, 1932—5 p.m.

61. Your 100, February 23, 3 p.m.

1. Refrain from including the clause until otherwise instructed.

2. Department desires, however, to impress upon you and through you upon the American nationals concerned the importance of obtaining, while the evidence is fresh, complete and accurate evidence with respect to any damages suffered by American nationals. This information should indicate the nature and extent of the damage and by whom it was caused, care being taken in connection with this latter point to avoid the possibility of any effort on the part of the contending factions to shift responsibility.

STIMSON

793.94/4481 : Telegram

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

SHANGHAI, February 29, 1932—7 p.m.
[Received February 29—10:40 a.m.]

131. Continuing my report of yesterday's date.

1. Except for occasional short bursts of rifle and machine-gun fire Chapei remained comparatively quiet. Early this morning the Paoshan Road sector was heavily shelled by Japanese artillery to which the Chinese replied with machine-gun fire.

2. Kiangwan Village appears to have been definitely occupied by the Japanese. Japanese claim that they have captured numerous Chinese prisoners in Kiangwan. It is expected they will be executed.

3. Air raids continue along all fronts. Bombing back of the lines also continues. It is understood that the vanguard of the 6th, 9th and 14th Chinese divisions has already arrived in Chapei. It is understood that these were ordered to the front by General Chiang Kai-shek.

Repeated to the Legation and Nanking. Copy to Minister.

CUNNINGHAM

793.94/4507 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, February 29, 1932—7 p.m.
[Received March 1—8:25 a.m.[24]]

92. The important features of the Council meeting which was held at 6 o'clock today were

A. The acceptance of a "proposal" by all the members of the Council present other than China and Japan which, however, was personally endorsed by the representatives of these two countries and transmitted by them to their Governments.

B. Statement by Sir John Simon outlining a text of proposal as read by President of the Council.

[Proposal:]

1. The imminence of hostilities on the largest scale in the Shanghai region between Chinese and Japanese forces with the inevitable consequence of heavy loss of life and further embitterment of feeling makes it at this critical moment the duty of all of us to lose no opportunity of seeking means by which this deplorable armed conflict between two members of the League may be suspended and a way of peace may be found and followed.

(Information was here furnished by Simon respecting meeting at Shanghai on board British ship.)

The news that we have received from the British representative that conversations actually took place yesterday at Shanghai with a view to making arrangements for a cessation of hostilities and that the proposed arrangements have been referred to the respective Governments is welcomed by us all and the Council of the League is ready to make its contribution towards the consolidation of peaceful conditions in the way and at the time which is most useful.

2. The President has, therefore, called together his colleagues on the Council for the purpose of laying before them a proposal which might serve to this end. For its effective execution this proposal will require not only the acceptance of the Governments of China and Japan but the cooperation on the spot of the other principal powers who have special interests in the Shanghai Settlements and whose representatives are therefore readily available to make the local contribution of their friendly aid which is no less necessary than the positive and sincere agreement of the Chinese and Japanese authorities to the plan proposed.

3. This plan is as follows:

(1) A conference to be immediately set up in Shanghai composed of representatives of the Governments of China and Japan together with representatives of the other powers above referred to for the purpose of bringing about a final conclusion of fighting and the restoration of peaceful conditions in the Shanghai area.

(2) The conference would be undertaken on the basis

[24] Telegram in two sections.

(*a*) That Japan has no political or territorial designs and no intention of establishing a Japanese settlement in Shanghai or of otherwise advancing the exclusive interests of the Japanese, and

(*b*) That China enters the conference on the basis that the safety and integrity of the International and French Settlements must be preserved under arrangements which will secure these areas and their residents from danger.

(3) The meeting of this conference is of course subject to the making of local arrangements for a cessation of hostilities. The Council trusts that this will very speedily be brought about. It is proposed that the military, naval and civilian authorities of the other principal powers represented in Shanghai will render all possible assistance in consolidating the arrangements.

4. To this proposal, which is aimed at the immediate reestablishment of peace in the Shanghai area, without prejudice to or qualification of any position previously taken by the League of Nations or any power in relation to Sino-Japanese affairs, the President desires, in the name of himself and of his colleagues, to invite the adherence and cooperation both of China and Japan and of the other powers referred to, whose local position enables them to make a special contribution to the common purpose of stopping armed conflict and restoring peace.

Text of statement by Sir John Simon:

The proposal placed before the Council by the President is one to which the British Government gives its fullest support. We shall instruct our representatives in Shanghai to cooperate in the fullest way with the other powers and we shall do so in our character as a member of the League of Nations resolved to support its moral authority and sustain its influence in the work of maintaining and restoring peaceful relations.

So much for the support of the British Government for whom I have the honor to speak. But there is another government whose citizens have great interests in the International Settlement and whose devotion to the cause of peace and desire to promote a just conclusion for the Sino-Japanese conflict is known to us all. I refer to the United States of America. America is not a member of the League of Nations but, none the less, I am happy to be able to announce here at meeting of the Council of the League that I have been in close consultation with the American Government and I am authorized to communicate the assurance of the United States that it is prepared to associate itself with the step which we are now taking and to instruct its representatives in the Shanghai area to cooperate with us who are members of the League of Nations in the fullest measure in carrying out the proposals which the President has put before us and which we are about to adopt.[25]

Details of the meeting will follow.

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[25] For exchange of letters between Sir Eric Drummond and Mr. Wilson, see telegram No. 46, February 29, 1932, 10 p. m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 204.

C. Sir John Simon added to his presentation of the proposal the statement that "if there is no cessation of hostilities there cannot be a meeting of this conference".

D. Grandi announced that the President's proposal met with the "fullest approval" of the Italian Government and that its collaboration was definitely assured.

E. Boncour informed the Council that the French Government would accord the same approval and support. He also expressed his satisfaction at the announced collaboration of the United States.

F. With regard to Simon's communication respecting an arrangement for a cessation of hostilities at Shanghai, Sato stated that he had not yet been authorized to inform the Council as to the details but that he would do so as soon as instructions were received. He added that the Japanese authorities had at once submitted the proposed arrangement to Tokyo.

With respect to the President's proposal he accepted it subject to the approval of his Government and would transmit it immediately. In connection with this proposal he made the following statement:

["]1. In the Shanghai question the sole aim of the Japanese Government is to remove from the International Concession and also from its own nationals all imminent danger and to restore peaceful conditions.

2. The Japanese Government will be prepared to cooperate with other powers with a view to settling the situation at Shanghai as soon as calm is reestablished under conditions such as will guarantee the security of the Concession and the Japanese nationals. For this purpose and particularly with a view to insuring the future security of foreigners in the Shanghai region the Japanese Government will have no objection to the opening in that city of a round-table conference at which there will be represented foreign powers who have interests at Shanghai.

3. The Japanese Government has no intention of taking advantage of the present situation in order to realize political or territorial ambitions in that region. It has no wish to establish a Japanese concession at Shanghai or to obtain exclusive privileges there for the Japanese. It desires to maintain and strengthen the international character of Shanghai.

4. News has been published in the press according to which the Japanese Government is stated to be contemplating the establishment of neutral zones around some of the chief Chinese cities. This in no wise represents the intentions of the Japanese Government."

G. Yen then read a telegram which virtually repeated the information Simon had given regarding an arrangement for the cessation of hostilities and which stated that the "Chinese authorities find the proposal reasonable and acceptable".

With regard to the President's proposal, he would transmit it immediately and would strongly urge its acceptance.

H. The German representative expressed his satisfaction at the possibility of the cessation of hostilities and the hope that the prospective negotiations would meet with immediate success.

I. Expressing the opinion that all members of the Council desired to contribute to the success of the efforts now under way, Madariaga stated that for some time the contribution would consist of "setting aside our special preference to see powers other than those with immediate interest on the spot being associated with these efforts". In his opinion political problems may be local from one point of view but universal from another.

With regard to the United States, he said that while that country is unfortunately not represented on the Council "We know that the spirit and the aims of that power are so closely in line with us that the United States might indeed be amongst us and the difference would hardly be noticeable from that point of view".

J. In a concluding declaration the President noted that no one had opposed the proposal and thanked his colleagues who had explicitly acceded to the proposition. He emphasized that the proposed conference at Shanghai was entirely dependent upon the cessation of hostilities.

GILBERT

CHAPTER VI: MARCH 1–12, 1932

Proclamation at Mukden of "Independent State of Manchoukuo", March 1; Exchange of Views at Shanghai on Armistice; Acceptance by China and Japan of League Council's Proposal of February 29; Meeting of Special League Assembly at China's Request, March 3; Resolution of League Assembly Calling for Cessation of Hostilities at Shanghai, March 4; American Cooperation in Efforts for Peaceful Settlement of Shanghai Conflict; American Consultations Respecting Threatened "Independence" of Chinese Customs Administration in Manchuria; Resolution of League Assembly in Reaffirmation of Treaties and of Peaceful Solution of Shanghai Conflict, March 11; Statement of Approval by Secretary Stimson Concerning the Resolution of March 11; Request for Recognition by "Manchoukuo", March 12

793.94/4495 : Telegram

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

PEIPING, March 1, 1932—10 a.m.
[Received March 1—2:55 a.m.]

287. Following from American Consul General at Harbin:

"February 29, 4 p. m.

1. Takigawa has informed me that the Chinese Eastern Railway has received from Moscow authorization to furnish a small amount of rolling stock for the transportation of Japanese troops as far as Imienpo in general and as far as Hailin in case of exceptional need, that the railway administration has already agreed with the Japanese military to place three trains at the disposal of the latter and that the Japanese command has not yet decided upon the time of despatching these troop trains because there is hope of reaching a compromise with Ting Chao with whom the Japanese military are negotiating."

For the Minister:
PERKINS

793.94/4499 : Telegram

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

SHANGHAI, March 1, 1932—11 a.m.
[Received March 1—8:35 a.m.]

1. Admiral Kelly furnishes me this morning with following and informs me that the five items listed represent terms proposed by the Chinese which were handed by him last night to Admiral Nomura who seemed hopeful that they might form a basis for discussion. He requests that they be treated as confidential for the time being.

2. "(1) Mutual and simultaneous evacuation by both sides.

(2) No question to be raised of permanent dismantling of Woosung or Lion forts.

(3) Joint commission with neutral observers to supervise evacuation on both sides.

(4) Evacuated area to be administered by Chinese as usual and policed by Chinese police.

(5) Chinese to withdraw to Chenju and Japanese to withdraw to Settlement and extra-concession [*extra-Settlement?*] roads, after which Chinese to withdraw to Nanziang. Withdrawal of Japanese to ships to be taken up at the next conference."

JOHNSON

793.94/4513 : Telegram

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

SHANGHAI, March 1, 1932—noon.
[Received March 1—11:20 a.m.]

133. My telegram 130, February 29, 6 p.m.[26] Following is communiqué issued by Japanese Consulate General afternoon February 29th:

[26] Not printed.

"Consul General K. Murai addressed a letter this morning to Mayor Wu Te-chen of Greater Shanghai which says in part as follows:

'The Chinese military authorities are at present concentrating reenforcements in and around Shanghai and these forces are being transported mainly by railways.

This action on the part of the Chinese military authorities is liable to result in the extension of the scope of hostilities. Therefore if the concentration should be continued, the Japanese forces, in their self-defense, might be forced to destroy the railway lines and military trains between Kashing and Shanghai and between Soochow and Shanghai on and after March 2, 1932.

Under the circumstances while I will take steps to bring to the notice of the public the above in the hope that noncombatants in general may take all necessary precautions to avoid any possible danger, it is urgently hoped that you also will take appropriate measures in way of notifying the Chinese residents.' "

2. Press publishes this morning translation of reply from Mayor as follows:

"Mr. K. Murai, Japanese Consul General, Shanghai.

Sir: I have the honor to acknowledge the receipt of your letter of February 29th, the contents of which are duly noted. In reply I should state that since the night of January 28 the Japanese forces have repeatedly invaded our territory and murdered our people; and their atrocities committed in violation of all international law and international treaties and against humanity have formed the subjects of my former protests to you. The action of the Chinese troops on the other hand have all been confined to self-defense. That the situation should have been aggravated has been due to the fact that your country has repeatedly sent reenforcements here, thereby adding to the catastrophe already endured.

If the Japanese forces should continue to attack our troops the latter could not but be compelled to adopt appropriate measures for self-defense and all responsibilities in this connection must rest entirely with you.

I have the honor to be, et cetera, Wu Te-chen."

Repeated to the Legation and Nanking for information. Copy to the Minister.

CUNNINGHAM

793.94/4514 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 1, 1932—2 p.m.
[Received March 1—11:30 a.m.]

47. Sweetser reports as follows concerning the meeting of the Twelve yesterday before the public session of the Council:

"At a meeting of the Twelve today preparatory to the public session Simon explained the Shanghai negotiations and the suggested pro-

gram. After stating that Britain and France had agreed to cooperate he said that what was of greater interest was the attitude of the United States. He had taken the liberty of discussing the matter in great detail with some of the representatives of the United States in Geneva who were in close touch with Washington. America had shown the greatest interest in all the details, in fact the plan respecting the position already taken by the League or by any government had been worked out by Mr. Stimson, and felt that this would result in a united front.

Boncour after expressions of appreciation by himself and others expressed disquietude lest after tonight's meeting hostilities might still continue tomorrow and felt that in order to avoid another unpleasant surprise more formal assurance should be secured as to their termination. Simon, fully sharing this anxiety, urged that the Council must run a certain risk and take a step even if a bold one rather than merely wait on events. If the United States could be brought to cooperate with the nations around the table he thought it would greatly increase the influence of the Council with Japan.

Madariaga agreeing as to the risk felt that the best aspect of the situation was that the United States would cooperate more fully with the League than hitherto. He had always felt that the absence of the United States made a huge gap in the peace procedure. He wondered, however, if the Council could strengthen the League of Nations' aspect, (1st), by specifically stating that the conference be held under the League; (2d), by opening it to all the powers on the original Shanghai Commission rather than to the great powers only; (3d), by entrusting the arrangements to the Secretariat as previously done and, (4th), by assuring that the conference report to the Assembly.

Simon emphasized that he had set himself the object of associating the United States in the Shanghai work. The present arrangement gives closer association by the United States than ever before. The only difficulty about accepting the above proposals was that Washington had already accepted the original text; indeed he had just had a message from Mr. Wilson that the Secretary of State had agreed by telephone to the text as it stood. He was afraid now to ask for any change in the text, given the physical difficulty of negotiating with the United States at such great distance. For himself he would be glad to state that Great Britain was acting on behalf of the League and suggested that the French and Italian representatives might do the same for their countries. It was very difficult, however, to ask America to act on behalf of the League and he consequently urged leaving the text as it was. Drummond added as regards the Assembly that any report from the conference was sure to come before the body as part of its information and documentation and that therefore it was unnecessary as well as unwise to make a special point of it.

Boncour, fully agreeing as to the necessity of proceeding with all prudence and not embarrassing the United States, asked if it would not be possible to emphasize the armistice more by putting it in the opening paragraph. Simon replied that his first draft had done exactly that but had been altered in order to avoid the appearance of two rival efforts going on from opposite ends of the world. He did not want to take any step which would encourage either China or

Japan to procrastinate nor, having secured American acceptance to the text, would he want to create new difficulties there. Madariaga expressed the view that one of the heavy sacrifices caused by American cooperation was that the Council was confronted with texts which it could not change. This had happened not once but several times; it was a difficulty which the Council must accept in order to secure a larger agreement. Simon appreciated this objection but urged that pressure of time and the extreme difficulty of the long-range negotiations with America justified an action which in no way could constitute a precedent."

WILSON

793.94/4508 : Telegram

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

TIENTSIN, March 1, 1932—4 p.m.
[Received March 1—8:40 a.m.]

The following telegram has been sent to the Legation:

"March 1, 3 p. m. The *Tencho Maru* from Dairen, specially chartered by Japanese military, landed 550 rifles, 12 fieldpieces, 80 machine guns and 3,150 cases of ammunition at Tangku yesterday and returned immediately to Dairen. The landing of so much Japanese war material under present circumstances has caused great concern at Tangku and considerable speculation at Tientsin. There are reported to be 2,000 Chinese troops at Tangku, 500 at Hsinho and 500 at Taku and 150 Japanese troops at Tangku. Martial law is being enforced at night at Tangku.

Repeated to the Department and Shanghai."

LOCKHART

793.94/4511 : Telegram

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

PEIPING, March 1, 1932—5 p.m.
[Received March 1—9:30 a.m.]

293. 1. North China remains quiet. I am very reliably informed that the Chinese plan is to exhaust the Japanese in the Shanghai area and to give them no pretext for intervention in this vicinity. This policy is based on the knowledge that the Japanese have very complete military plans for the occupation of North China which they could execute with comparative ease whereas there are no such detailed arrangements for the occupation of the Yangtze Basin. At the same time dispositions of Chinese troops have been made with a view to resistance in case the Japanese take the initiative.

2. If this information is correct there would seem small likelihood of any Chinese military activity in the direction of Manchuria at the present time especially in view of the shortage of munitions in Marshal Chang's forces. The action of the Chinese Government toward the independence movement in Manchuria will perhaps be limited to a manifesto, which, by declaring the existence there of a state of rebellion, will serve to prevent the case at this time from going by default and to lay a basis for any action thought advisable at a later date.

Repeated to the Minister.

For the Minister:
PERKINS

793.94/4510 : Telegram

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

SHANGHAI, March 1, 1932—6 p.m.
[Received March 1—11:05 a.m.]

138. Continuing my daily report 131, February 29, 7 p. m.

1. The Japanese forces claimed to have advanced their positions along the Chapei front near the Paoshan Road sector after a heavy artillery and aerial bombardment.

2. Along the Kiangwan front the Japanese claim to have advanced in the direction of Tazang Village about 1,000 yards.

3. Timed depth bombs were set afloat last night and at 1:25 p. m. today one exploded within 60 feet of the Japanese flagship *Idzumo*. The latter did no damage but thoroughly shook the city of Shanghai. Fifteen minutes earlier another exploded quite near another Japanese warship.

4. Intermittent artillery activity continues at Woosung. From Japanese sources it is stated that the 11th Division landed at Liuho at 8:30 this morning. The bulk of the remaining reenforcements were landed by lighter at the railway wharf at Changwahpang. The Japanese forces will face approximately 58,000 Chinese soldiers.

5. The 19th Route Army issued a statement today that they would not evacuate Shanghai or its environs. Any such demands must be referred to the National Government.

6. The majority of Chinese shops remain closed. Native banks continue to refuse to pay cash against orders drawn upon them. Thus far the position remains as it has since the commencement of the trouble, a complete stagnation of trade.

Repeated to the Legation, Nanking. Copy to Minister.

CUNNINGHAM

793.94/4526 : Telegram

The Minister in China (Johnson) to the Secretary of State[27]

SHANGHAI, March 1, 1932—9 p.m.

Your 60, February 29, 4 p. m. I have just seen my British colleague who has shown to me message from London describing proposal which apparently originated there for the holding of a round-table conference intended to deal [with] "problem of Shanghai". Proposal appears to be made contingent upon immediate cessation of hostilities at Shanghai, mutual evacuation by Japanese and Chinese troops, and undertaking on the part of Japan that she does not seek territory or political advantage. I am informed that Matsudaira told British Foreign Minister that the Japanese idea was that such a conference should deal with question of security and protection of foreigners at Shanghai and the security of the International Settlement. In this connection please see my telegram of yesterday reporting proposal given to Abend of *New York Times*.

Neither Lampson nor I know of any question involving security of foreign lives or property nor security to Settlement which needs be laid before such a conference. This is in case hostilities cease and Japanese and Chinese troops evacuate. There has been no attack upon the security of the Settlement and we apprehend no danger to nationals here or to the integrity of the Settlement if hostilities cease and troops evacuate. Place where they met Chinese resistance and attack was outside Settlement boundaries and in Chinese policed and controlled and thickly populated area of Chapei.

So far as concerns security, we therefore believe that the only question that could be laid before such a conference would be with respect to enlarging the area of the Settlement, and we believe that it would not be wise for us to become involved in any discussion of such a proposal. Our reasons for this belief are as follows:

(*a*) Such a proposal would be directly contrary to the policies followed by the two Governments with regard to the future of the Settlement.

(*b*) Such a proposal would not be acceptable to the Japanese Government in getting such a subject before them.

(*c*) A suggestion for the enlargement of the Settlement area would no doubt meet with considerable support from British and American

[27] Presumably a paraphrase of telegram received by the Office of Naval Operations, Navy Department.

interests in Shanghai. However, such support coming from the Japanese, who are now in military occupation of the Settlement under discussion, would ultimately mean that we were merely turning over the municipality of the International Settlement at Shanghai to the Japanese who would of course demand and obtain a majority in the [Municipal] Council.

(*d*) Even assuming that it were advisable to have a conference regarding Shanghai, under the present circumstances, with feeling between the Japanese and the Chinese at such heat that it is doubtful whether anything could be accomplished, we both feel that to hold such a conference at this time or in Shanghai would be most unwise.

My British colleague is telegraphing his own Government somewhat along above lines. This evening I saw Koo and asked if he had heard anything of a proposal for a conference on the security of foreigners at Shanghai. He said he believed something of the sort was contemplated but he had not heard anything so definite from Geneva. His opinion regarding such a proposal was that the Chinese would not be able to accept it.

The crying need of Shanghai is to obtain a cessation of hostilities, and to link negotiations in regard to the future of the International Settlement would unduly delay this most desirable end. This is my opinion and the commander in chief shares my views.

JOHNSON

793.94/4507 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 1, 1932—midnight.

25. Consulate's No. 92, February 29, 7 p. m.

1. I have received from Minister Johnson under date Shanghai March 1, 9 p. m., a telegram in which he states [Here follows substance of telegram printed *supra*.]

2. In this connection please refer to the record of our telephone conversations of February 27, 12:50 p. m. and February 28, 1:40 p. m. and to my telegram No. 24, February 28, 5 p. m. and note my observations with regard to the original third paragraph of proposals. It is apparent that both the American and British Ministers to China felt apprehension similar to that which I expressed that it would be hazardous to link up with proposals the primary object of which is to bring hostilities to an end other proposals which may appear designed to take advantage of the military situation for the furthering of objectives not strictly related to the problem of cessation of hostilities and the restoration of peaceful conditions.

In making note of this at this moment, I take into account the fact that the text of the plan as adopted at Geneva yesterday, as reported in your telegram under reference, differs substantially, by virtue of amendments, from the text or outline which was in Lampson's hands and was made the basis of Johnson's and Lampson's comments.

3. The foregoing is for your confidential background information. Unless and until instructed, take no action on the basis of it. In case Simon approaches you on the subject and discloses that he has received information from Lampson, you are at liberty to let him know that you have been informed of Johnson's views and that you have been given to understand that Johnson's and Lampson's views coincide; otherwise you need not mention that you have this information. In case you find any indication of discrepancies, please report them.

STIMSON

893.01 Manchuria/17 : Telegram

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

PEIPING, March 2, 1932—11 a.m.
[Received March 2—3:15 a.m.]

294. Following from American Consul General at Mukden:

"March 1, 3 p.m. The establishment of the new state was announced officially this morning by Chang Ching-hui at his residence at Mukden. After painting a black picture of conditions in Manchuria and China since the establishment of the Republic the proclamation announces the complete severance of relations with the Republic of China and the establishment of the state of Manchoukuo as well as the fundamental principles on which the new state is established including acknowledgment of debt obligations of the territory and the principles of the open door and equal opportunity.

It was announced that foreign governments will be notified officially.

The Japanese press today state that the inauguration of Pu will occur on March 10th. Myers."

For the Minister:
PERKINS

793.94/4524 : Telegram

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

SHANGHAI, March 2, 1932—3 p.m.
[Received March 2—9:15 a.m.]

143. It is learned from Jun Ke Choy that the 19th Route Army has retired voluntarily to Chenju. From other sources it is learned

that Chapei has been evacuated and that Eugene Chen has informed newspapermen that the retirement was necessary because of non-support by the National Government and absence of ammunition. This was distinctly denied by Mr. Choy. The retirement places Chapei so far as the Chinese are concerned in exactly the same position as Hongkew and Yangtzepoo vis-à-vis the Shanghai Municipal Council.

2. Mr. Choy transmitted to me the following official message from the Mayor which he requested me to transmit to the Shanghai Municipal Council and at my discretion to the members of the consular body. The information was that the Mayor has sufficient police in Nantao to maintain peace and order; that there were in Nantao 2,600 volunteers; that there was no occasion for any concern in regard to that district.

Repeated to the Legation and Nanking. Copy to the Minister.

CUNNINGHAM

793.94/4517 : Telegram

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

TIENTSIN, March 2, 1932—4 p.m.
[Received March 2—6:35 a.m.]

The following telegram has been sent to the Legation today:

"March 2, 3 p. m. The war materials described in my March 1, 3 p. m.[28] were brought up to Tientsin by lighter yesterday afternoon. Japanese military authorities minimize importance of shipment but the large number of machine guns and fieldpieces would seem to place the shipment outside the category of normal additions to the equipment of the local garrison although it might well be intended merely to meet any eventualities that may arise in or near Japanese concession.

Repeated to the Department and Shanghai."

LOCKHART

793.94/4525 : Telegram

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

SHANGHAI, March 2, 1932—4 p.m.
[Received March 2—9:25 a.m.]

144. Department's telegram of January 27, 5 p. m.[29] regarding radio

[28] See telegram of March 1, 4 p.m., from the Consul General at Tientsin to the Secretary of State, p. 486.

[29] Not printed.

station at Chenju. Yesterday afternoon I received following from Japanese Consul General dated February 29th:

"In deference to your recent verbal request for the protection of the plant of the radio station in Chenju, we have so far effectively tried to comply with your wishes. The reports, however, have reached the Japanese military authorities to the effect that Chinese have dug trenches and established their headquarters approximately within 200 meters covering above-named plant. The self-imposed restraint, on the part of Japanese forces, were [*was?*] to be based on the expectation that you would see to it that such state of affairs would not be allowed to exist. We, therefore, would like to verify the above reports from you. At the same time we request that you will take such effective precautions immediately as will keep a radius of at least 500 meters around the aforesaid plant free from any Chinese combatant or base or channel of his military activities, so as to ensure that no fragments of shells or bombs might, by chance, endanger the safety of the plant or any part thereof."

I am seeing Mayor Wu this afternoon and will point out that the request of the Japanese Consul General appears reasonable and express hope that an arrangement in this sense may be mutually agreed to by both sides. I shall, however, state I can naturally assume no responsibility for either side carrying agreement into effect.

Repeated to the Legation, copy to Minister.

CUNNINGHAM

793.94/4531 : Telegram

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

SHANGHAI, March 2, 1932—5 p.m.
[Received March 2—11:45 a.m.]

145. Continuing my daily report No. 138, March 1, 6 p. m.

1. As stated in my No. 143, March 2, 3 p. m. the Chinese began a withdrawal all along the line at 2 o'clock this morning concealing [*following?*] offensive on the part of the Japanese which began in the morning of March 1st. This withdrawal extended from the western sector of Miaochangchen to Hanchiatang west of Kiangwan along the upper reaches of the Hongkew Creek. By the afternoon the Japanese had pushed back the Chinese lines approximately one kilometer. Information from Chinese sources is to the effect that the retirement was occasioned by the terrific loss of life suffered within the past few days. It is believed, however, that the landing of the 11th Japanese Division at Liuho forced a strategic retirement. Japanese report that Tazang was occupied early this morning and the Chinese are in retreat toward Chenju. They may even fall back on Nanziang.

2. The business situation in short appears to be easier, about 60 percent of the shops including some large stores having resumed business. [Here follows information regarding business conditions.]

Repeated to the Legation and Nanking, copy to Minister.

CUNNINGHAM

793.94/4589

Memorandum by the Secretary of State

[WASHINGTON,] March 2, 1932.

During the call of the British Ambassador he brought up the situation at Shanghai. He said he could not understand how the Japanese could ask for a truce and stage a major attack; that the main thing was to keep our own two Governments working exactly together. I told him I agreed and that I had been having very satisfactory communications with Sir John Simon at Geneva over this proposed truce; that I also had been having very great help from the French Government through Claudel; that that was very encouraging in view of the rumors that there had been in the first place of sympathy or understanding between France and Japan. The Ambassador said that he was very interested to hear that; that he had not been able himself to believe that there was any understanding between them; that they did not have enough in common to produce such a situation.

H[ENRY] L. S[TIMSON]

793.94/4536 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 2, 1932—9 p.m.
[Received March 2—7:43 p.m.]

48. Matsudaira called on Gibson and me this afternoon and outlined to us the events of the past few days at Shanghai. His account of the meeting on Admiral Kelly's flagship showed some difference from the report which Kelly had cabled. It will be remembered that Kelly's statement declared that "the principle of mutual retirement had been agreed upon". This Matsudaira was unable to confirm and intimated that the Japanese Admiral's acceptance had been predicated on previous retirement by the Chinese. He then stated that in his private opinion their military leaders had undertaken too big a task, for the forces at hand had been checked by the Chinese and this put them and the country in a state of mind in which it was very difficult to make any concession or even to cease hostilities especially in view of the

wide publicity which had been given by the Chinese to Chinese victories. Matsudaira said that Nomura had received instructions to renew negotiations and that he, Matsudaira, felt the situation much more hopeful because, now that the Chinese troops had retired, hostilities might be arrested on the *status quo*.

He appeared distinctly ill at ease and gave a rather pathetic impression of an honorable man trying to make the best of a bad case.

In view of the fact that Matsudaira is to speak tomorrow in the Assembly we thought it was a friendly act to disillusion him as to the conviction carried by his statement and therefore pointed out that events this week succeeded Sato's acceptance of the Council's proposal on Monday[30] followed by his Government's ratification of Sato's act had made everybody here expect an immediate cessation of firing. No argument other than such immediate cessation would avert the storm of criticism that is likely to break in the meeting of the Assembly; that it has never been more urgent in the interest of Japan itself than it is at the present moment that hostilities should cease and cease at once.

Matsudaira told us that he and Sato were doing everything that was humanly possible in this sense and it was obvious that he realized the vulnerable position that he now occupies.

WILSON

793.94/4539 : Telegram

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

SHANGHAI, March 3, 1932—10 a.m.
[Received March 3—5:15 a.m.]

My March 1, 11 a.m.

1. Following represents Japanese reply to Chinese terms for immediate cessation of hostilities here. I am reliably informed that document containing this text[31] was handed Chinese Vice-Minister of Foreign Affairs last night shortly after midnight by Matsuoka on His Majesty's Ship *Kent* in presence of Admiral Kelly.

"(1) Should China give assurance for the withdrawal of her troops to a certain distance from Shanghai (distance to be determined by the Japanese and Chinese authorities) Japan will agree to the cessation of hostilities for a certain period (to be agreed upon between the Japanese and Chinese authorities), and pending subsequent arrangement the Japanese and Chinese forces shall hold their respective positions. Details relating to the cessation of hostilities shall be arranged by the Japanese and Chinese military authorities.

(2) During the period of the cessation of hostilities, a round-table

[30] February 29.

[31] For text handed to the Secretary of State on March 3 by the Japanese Ambassador, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 207.

conference between Japan and China shall be held at Shanghai, in which the representatives of the principal powers interested shall participate, and the conference shall discuss with a view of reaching an agreement upon the methods for the withdrawal of both the Chinese and Japanese forces on such terms as are set out in the following paragraph, together with the measure for the restoration and maintenance of peace and order in and around Shanghai and for safeguarding the International Settlement and French Concession in Shanghai and the foreign lives, property and interests therein.

(3) The withdrawal of troops shall be commenced by the Chinese troops (including plain-clothes gunmen) to a specified distance and upon ascertaining the withdrawal of the Chinese forces, the Japanese forces will withdraw to the Shanghai and Woosung areas. As soon as the normal conditions will have prevailed, the Japanese Army shall be withdrawn from these areas.

(4) Should either of the parties infringe any of the terms of the cessation of hostilities, the other party shall have freedom of action. Both parties have the same freedom of action upon expiration of the period agreed upon under paragraph 1."

2. Chinese retired in good order from Chapei and other fronts night before last. Japanese forces began occupation of area evacuated by Chinese yesterday afternoon. I am informed that forces at Woosung were still holding out this morning having been cut off and that Japanese are landing balance of newly arrived reenforcements in neighborhood of Liuho and Woosung under the protection of naval guns this morning.

JOHNSON

393.115 Radio Corporation of America/8 : Telegram

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

WASHINGTON, March 3, 1932—10 a.m.

69. Your 144, March 2, 4 p.m., in regard to radio station at Chenju.

Department approves your course of action as reported and desires that you follow developments, keeping Department informed. The Radio Corporation has expressed again to Department its interest in the continued operation of this plant.

STIMSON

893.01 Manchuria/17 : Telegram

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

WASHINGTON, March 3, 1932—10 a.m.

76. Your 294, March 2, 11 a.m. If and when any notification is received with regard to establishment of new regime in Manchuria,

inform Department but take no additional action in absence of Department's further instructions.

Instruct Mukden and Harbin.

STIMSON

793.94/4541 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 3, 1932—11 a.m.
[Received March 3—9:28 a.m.]

95. Consulate's 92, February 29, 7 p. m.

Secretary General has circulated: (1) reply dated March 1st to the "proposal" adopted in the Council meeting of February 29th addressed by Sato to the President of the Council; (2) a communication dated March 2nd addressed by Boncour to Sato in response to the foregoing. The texts of these communications follow:

1. "I have the honor to inform you that the Japanese Government willingly accepts the plan which Your Excellency submitted to me yesterday at the Council meeting."

2. "I have the honor to acknowledge the receipt of your letter of March 1st by which you inform me that the Japanese Government willingly accepts the plan which I submitted to the Council on February 29th.

I have taken immediate steps to bring Your Excellency's letter to the knowledge of my colleagues on the Council.

While I am extremely happy to note the acceptance by the Japanese Government of the plan, I venture to point out that the proposals set out therein are 'subject to the making of local arrangements for a cessation of hostilities', and that the Council expressed the hope that such a cessation would be brought about very speedily. Indeed, it is not too much to say that the execution of the plan is dependent on the final cessation of all fighting, and I should, therefore, be glad to learn whether Your Excellency is in a position to give me any assurances or information on this point, which not only I, but my colleagues, consider to be of primary importance."

GILBERT

793.94/4543 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 3, 1932—1 p.m.
[Received March 3—9:15 a.m.]

49. A few minutes before the opening of the Assembly meeting Sato handed me the following message:

"In view of the retreat of the Chinese forces beyond 20 kilometers to the north of Shanghai the Japanese troops stopped on a line situated at about that distance. The Japanese troops will abstain from all acts of hostilities except those of a strictly defensive nature and will take all measures necessary to the security of inhabitants. The Japanese commanders have made public a declaration to this effect (evening of March 3rd local time)."

WILSON

793.94/4535 : Telegram

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

SHANGHAI, March 3, 1932—3 p.m.
[Received March 3—6:20 a.m.]

147. From Abend, *New York Times*, it was learned that hostilities had been stopped and that the Japanese Minister had so informed him.

I have confirmed this from the Japanese Consul General who stated that hostilities were stopped because they had attained their object; that the Chinese had retired sufficient distance and unless the Japanese were attacked hostilities would not be resumed. No other particulars available although I was informed by Japanese Consul General that a statement would be issued this afternoon.

Repeated to the Legation, copy to Minister.

CUNNINGHAM

793.94/4542 : Telegram

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

PEIPING, March 3, 1932—4 p.m.
[Received March 3—7:28 a.m.]

299. Following from American Consul General at Harbin:

"March 2, 5 p. m. No. 26. Takigawa has informed me confidentially that negotiations between Ting Chao and Japanese military are progressing but slowly; that Ting had been told by the latter to come to Harbin 2 days ago but refused; that the Japanese nationals who evacuated to Harbin from the Eastern Line cannot go back and that 20,000 Koreans in that section are unable to continue their work on account of the dangerous conditions existing there; that therefore the Japanese command has decided to send three echelons of Japanese troops and one armored train east as far as Imienpo and possibly to Hailin tomorrow morning.

2. Soviet officials have stated that they have received no reports

of disturbed conditions on the Eastern Line and that they understand the Japanese troops are going as far as Mulin.

3. Railway officials stated echelons will move east tonight for unknown destinations on trains placed at the disposal of, and orders of, the Japanese command and that conditions are quiet on the Eastern Line."

For the Minister:
PERKINS

793.94/4540 : Telegram

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

SHANGHAI, March 3, 1932—4 p.m.
[Received March 3—9:35 a.m.]

148. Continuing my daily report No. 145, March 2, 5 p. m.

1. The general retirement of the Chinese troops on all fronts continued throughout March 2nd and General Tsai's headquarters are now said to be located at Quinsan. Large areas in Chapei are said to have been set on fire by the retreating troops. The Japanese have established their headquarters in the North Station and have taken over possession of Chapei in order to prevent looting. In following the Chinese troops, Japanese aircraft dropped bombs and destroyed a railway bridge near Quinsan. Woosung reported to have been captured this morning at 10:30. This claim is confirmed by British and American naval authorities.

2. As a result of Chapei [situation?] large numbers of refugees have been pouring into the Settlement. Refugees are also pouring into the French Concession from Nantao. Chinese trains removed considerable machinery from Kiangnan Arsenal and its branch at Lunghwa destined for Hangchow.

Repeated to the Legation and Nanking. Copy to Minister.

CUNNINGHAM

793.94/4550 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 3, 1932—4 p.m.
[Received March 3—3:49 p.m.]

97. Consulate's 95, March 3, 11 a. m. The Secretary General has circulated the following text of a letter dated March 2 from Sato to Boncour in reply to the latter's communication of the same date:

"I have the honor to acknowledge receipt of your letter of March 2nd concerning the acceptance by the Japanese Government of the proposal put forward by the Council on February 29th.

The Japanese Government firmly intends to secure the cessation of hostilities at the earliest possible moment whatever may be the turn taken by the military operations. But it is quite obvious that the agreement can only be concluded in the area of hostilities itself. The Japanese Government has therefore issued appropriate instructions to the Japanese Minister at Shanghai: negotiations are being actively pursued and I have the honor to transmit to Your Excellency the information which I have lately received on this subject."

The information referred to in the closing sentence of the letter quoted above is contained in the following text of an annex to that letter based on telegrams received by Sato from Shanghai under date of March 2nd:

"Admiral Nomura and M. Matsuoka proceeded at 9 p. m., to the *Kent* and informed Admiral Kelly of the general conditions on which the Japanese Government would be prepared to agree to a suspension of hostilities. Admiral Kelly immediately transmitted this information to the Chinese.

["]Following on this action it was decided that a new meeting of the Japanese and Chinese delegates should take place tomorrow at 1 p. m., in the *Kent*.

"The conditions on which the Japanese Government will be prepared to agree to a cessation of hostilities and which were communicated to the Japanese Minister in China are as follows:

'1. The Japanese forces to suspend hostilities and not to advance beyond the positions they are occupying for a certain time to be determined on the spot between the officers commanding the two armies if China gives an assurance that the Chinese troops will withdraw from Shanghai to a certain distance to be determined on the spot.

2. The representatives of the powers having interests at Shanghai to meet in round-table conference after hostilities have been suspended as above to discuss the question of the withdrawal of the two armies and specific measures for insuring tranquillity in the Shanghai area.

With regard to the withdrawal of the combatant forces Japan proposed:

(*a*) as soon as the withdrawal of the Chinese forces (including soldiers in civilian clothing) has been officially noted the Japanese Army will withdraw to the close proximity of Shanghai and Woosung.

(*b*) The Japanese land forces will leave Chinese territory as, and to the extent that, tranquillity is restored.

3. The violation by either of the parties of the conditions for the suspension of hostilities will entitle the other to resume hostilities as soon as the truce period has expired.' "

GILBERT

793.94/4534 : Telegram

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

TOKYO, March 3, 1932—5 p.m.
[Received March 3—6:10 a.m.]

88. Japanese General Staff announces that further forward advance of Japanese Army at Shanghai will in general cease after today's movements are completed.

The papers announce complete general withdrawal of 19th Chinese Route Army.

Repeated to Shanghai.

FORBES

793.94/4549 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 3, 1932—5 p.m.
[Received March 3—3:03 p.m.]

98. The Secretary General has circulated the following text of a letter dated March 2nd from Yen to Boncour:

"As I have already notified the Council, my Government accepted on February 29 the armistice proposals resulting from an exchange of views on February 28th between the representatives of the two parties in the presence of Admiral Kelly on board the British flagship. These proposals, as stated by the British representatives on the Council on February 29th, were based on the principle of mutual simultaneous evacuation.

Since these proposals were forwarded for the consideration of the Chinese and Japanese Governments, the Japanese Government has made no reply but landed strong reenforcements in the International Settlement of Shanghai and launched an offensive on a larger scale. This was done in spite of the announcement that the Japanese Government had accepted the proposals made by the President of the Council on February 29 for the cessation of hostilities and restoration of peace in the Shanghai area.

In spite of these developments which throw serious doubt on the sincerity of the Japanese Government's acceptance of the Council's proposal I have the honor to state that my Government is as always ready to accept an armistice based on the principles outlined above. If this armistice is accepted and carried out the Chinese Government is further prepared to accept the proposal which Your Excellency made at the Council meeting on February 29th and to participate in the conference at Shanghai recognizing that the safety of the International Settlement at Shanghai and the French Concession is essential to the maintenance of peace in and around Shanghai and on the understanding that this conference is concerned only with the restoration of peace in Shanghai and that all questions arising out of the

Sino-Japanese conflict in any part of China will be settled in accordance with the procedure invoked by China before the League.

It is, of course, understood that participation in this conference is subject to agreement between participating governments as to its agenda."

GILBERT

793.94/4542½

Memorandum of Trans-Atlantic Telephone Conversation[32]

SECRETARY: Hello, who is this?

MR. WILSON: This is Wilson speaking.

SECRETARY: Wilson, I wanted to find out what the situation is in Geneva just at present in regard to our proposed non-recognition policy being adopted by the Assembly.

MR. WILSON: What happened today, Mr. Secretary, was this. The Constitutional [*Special?*] Assembly elected Hymans, the Prime Minister of Belgium, as President. They they [*then?*] called on Yen to make a statement. His statement lasted about an hour. Matsudaira then replied for forty minutes. They then voted to turn the Assembly into a general commission of the Assembly which will meet tomorrow afternoon at three o'clock.[33] I have found no opposition to your idea that they must make a declaration in the sense that you state. In fact, everybody seems agreed and [*that?*] that is the minimum that the Assembly must do. We keep working on that problem and to everyone who talks to us we speak of the necessity and possibility of establishing that principle of law—that recognition of anything accomplished by force in violation of the treaties must not be admitted.

SECRETARY: I see. Hugh, that is very important and it has been brought up again by some very unpleasant press articles coming from London indicating that some influential members of the British Government, and this one this morning was a statement of the Under Secretary of Foreign Affairs in the House of Commons that he did not intend to follow that policy and so I want to know what attitude Great Britain has been taking in the Assembly.

MR. WILSON: Sir John Simon has not yet spoken. I must say that the attitude of Sir John is a little bit suspicious to us. I am trying to see him tomorrow morning and I am going to remind him of the conversation which I had with him before I telephoned you a few days ago.

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[32] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, March 3, 1932, 3:50 p.m.

[33] For minutes of the meetings of March 3, see League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 19–37.

SECRETARY: Now, I have one further thing to say that may have bearing. Until that is clear I don't intend to take part in these conferences in Shanghai. The situation there, as I understand it, has been such that the action of Japan in going ahead with the major offensive after she had accepted the proposition of the League of Nations in which we had joined has so altered the situation that I want very much to go slow before I commit myself to any further step.

MR. WILSON: I think you are very wise, Mr. Secretary. I like that. I will see that Simon understands that.

SECRETARY: And I would like to know that Simon understands that.

MR. WILSON: I will see that he does.

SECRETARY: I have done everything that I could to help them so far in their major interest, which is Shanghai, but I don't intend to get involved in a situation which may appear to the Chinese to be backing up the interests of Japan and other foreign powers against legitimate Chinese interests. I don't intend to do this at all and I don't intend to get committed in these conferences until I am sure no such move is intended and I am also, of course, interested in the attitude of the Assembly. I don't intend or mean to be dragged into a position where I have to go in and deliver my goods until I see what I am going to get in return. Is that clear?

MR. WILSON: Yes, very clear and I like it very much, Mr. Secretary. I think that is an excellent thing and it puts us in a good position to say that.

SECRETARY: We have played perfectly clearly and, so far as the League of Nations is concerned, we have put our cards on the table and we have made our position perfectly clear and I think it is a cooperative position and I don't think anyone can criticize it, but there have been other elements of confusion introduced by other nations into this situation which are not our fault, and I should like to go a little slow.

MR. WILSON: I shall take great pleasure in conveying these facts; it will give me great satisfaction.

SECRETARY: Be careful—I don't want to have any threatening done. It is only a policy of wisdom.

MR. WILSON: Would you want to speak to Gibson too?

SECRETARY: I did want to ask this. In respect to the cable No. 55, which Gibson sent me,[34] you remember it about the plans for some speeches at the Disarmament Conference on this subject.

MR. WILSON: Yes.

SECRETARY: I don't quite understand when that is likely to come up.

MR. WILSON: We don't know, Mr. Secretary. It all depends upon

[34] Dated March 2, 10 p.m., not printed.

how continuous the efforts of the Assembly are. In a day or two they will probably call the General Commission.

SECRETARY: I can see some danger in that program which Gibson outlined to me coming on before the Assembly is committed to this nonrecognition plan.

MR. WILSON: I think so too.

SECRETARY: Because it might be used to sidetrack that subject over into the Disarmament Conference where it would not have any real effect instead of taking place in the League of Nations.

MR. WILSON: We will bear that in mind, Mr. Secretary.

SECRETARY: I think that should be very carefully put in Gibson's mind before he makes the speech that he proposed in his telegram No. 55.

MR. WILSON: He is listening now and he will bear that in mind.

SECRETARY: His proposed statement there would seem to push that program in the Disarmament Conference along a little faster. It would seem to push it too fast and I think if he said anything at all he should not say it until we are sure of what goes on in the Assembly.

MR. WILSON: Yes, I understand.

SECRETARY: Or if he has to say it before anything comes on the Assembly he should have some very cautionary remarks. I don't think he ought to commit himself unqualifiedly in the Disarmament Conference—what I mean is it does not amount to anything at all unless the nations of the world are committed to it.

MR. WILSON: Right.

SECRETARY: Even the language of the resolution which was adopted by the Council[35] was extremely wishy-washy.

MR. WILSON: Yes, it was very weak.

SECRETARY: It was very weak and I don't know whether you saw the statement which William Hard made over the radio the other night. He pointed out very forcibly the difference between the language which they used and the language which we used.

MR. WILSON: No, I haven't seen it.

SECRETARY: I wish you would see Hard and cable me the full language of his statement. It is not here in print at all. I happened to hear it over the radio. I wish you would cable it to me because it would be very useful here. That is the line which I think Gibson will have to have in mind if this thing comes up. I would rather not have it come up at all until it is settled in the Assembly, and if it does come up I think he ought to see that nothing in the Conference ought to be done to off-set the work of the Assembly on that point.

MR. WILSON: Certainly.

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[35] See telegram No. 92, February 29, 7 p.m., from the Consul at Geneva, p. 479.

SECRETARY: I talked with the President this morning about it and he thinks we ought to really try to do our best to get a forward movement in that.

MR. WILSON: Yes, Mr. Secretary. The Turkish Delegate is quite ready, I think, to follow our advice in this connection.

SECRETARY: I am very glad to have his speech if it were made in the Assembly.

MR. WILSON: He is not a member, of course.

SECRETARY: That is true, he is not a member. I would be very glad to have it wherever he does make it, but I don't want to have it in a way which would sidetrack it. In regard to Gibson's speech, I am a little worried about that situation in the Disarmament Conference. I would really rather have it held back altogether rather than before the Assembly has to face that problem.

MR. WILSON: I think we can hold it back entirely until the Assembly has acted.

SECRETARY: All right, that is the main thing.

MR. WILSON: All right, Mr. Secretary.

SECRETARY: Give my affectionate regards to Gibson and that is all I had to say about it. Good-bye.

893.20 Short, Robert M./7 : Telegram

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

WASHINGTON, March 3, 1932—7 p.m.

73. For the Consul General and the Minister. Shanghai's 114, February 26, 5 p.m., and Department's 57, February 26, 5 p.m., to Shanghai.[36]

1. In addition to the reference to Section 4090 of the Revised Statutes, as amended by the Act of June 30, 1906,[37] creating the United States Court for China, the Department suggests also for your consideration and that of the District Attorney reference to Section 5281 of the Revised Statutes, as amended by the Act of March 4, 1909, (Title 18, Section 21, page 460,[38] United States Code).

2. The Department desires that, in the light of the Statutes referred to above, you discuss with the District Attorney the question of the advisability of publishing a notice in or releasing a statement to the press at Shanghai and at Washington inviting the attention of American citizens to these Statutes and pointing out that, aside from any

[36] Latter not printed.
[37] 34 Stat. 814.
[38] 1925 edition.

action that might be taken against them for violating these Statutes, the American Government is not prepared to extend protection to American citizens who become actively involved in armed encounters between these two powers; and telegraph results of consultation, together with your comment and the text of any notice recommended for publication or statement for release. The Department has not concluded there is necessity for a notice but desires your views.

3. Meanwhile, the Consul General should refrain from further reply to the letter received by him from the Japanese Consul General.

STIMSON

793.94/4564 : Telegram

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

PEIPING, March 4, 1932—1 p.m.
[Received March 4—6:10 a.m.]

301. Department's 68, February 25, 6 p.m. Following from the American Consul General, Harbin:

1. "March 1, 3 p. m., No. 25.

(1) Your February 27, 11 a. m. Paragraph 1 (*a*) and (*b*). Neither the consular body nor any American native [*national?*] immediately prior to the present situation participated in the municipal affairs at Harbin. (*c*) The Japanese Consul General some years ago made a temporary agreement with the Chinese authorities whereby local Japanese would pay municipal taxes in return for Japanese representation on the Taxation Committee of the municipality but Vice Consul Takigawa has informed me that his Consulate General desires to have the Chinese authorities reorganize the municipality so that its status will be similar to the status created by the Anglo-Russian municipal agreement of 1914 and believe[s] that the consular body should make representations to the Chinese authorities to bring this about. Contemplated that the consular body or extraterritorial consuls would act upon their own initiative.

(2) The present Mayor Pao Kuan-cheng was officially appointed on January 23rd of this year by the Civil Administrator Chang Ching-hui, but was really installed in office by Colonel Doihara, who is directing and controlling municipal affairs, the police and the press. Although the civil administrator informed me in writing on February 18 last in reply to a query of mine that there is no plan to revise the regulations of the Harbin municipality, it is evident that the Japanese will secure the form of government, which undoubtedly will also control the native city of Fuchiatien and suburbs besides the present Harbin municipality, they desire. This new municipality, if organized, will undoubtedly last for a long time irrespective of whether Manchuria becomes an independent state or remains a part of China under Japanese domination. In it local Russians, who number about 100,000, many of whom are clamoring for municipal representation, and Japanese who number about 5,000 exclusive of the troops, will be

given much more voice in municipal affairs than they have at present.
(3) If there is a possibility of other foreigners securing municipal representation either direct or through the consular body should Americans avail themselves of it?"

2. The Legation does not believe that the Consul General should take the initiative in calling for a reorganization of the Harbin municipal government but, if as appears inevitable, a reorganization is to be effected under which foreign residents, chiefly Russians and Japanese, will be given a greater voice in municipal affairs than formerly, there would seem to be no sufficient reason why the American Consul General in association with his colleagues should not seek to obtain equitable and nondiscriminatory treatment for American residents and American rights and interests, particularly in regard to all matters relating to taxation. It has been the practice to give American consular officers the greatest latitude in protecting the local interests of Americans irrespective of the actual status of the local governments with which they have had to deal, and it would seem that any other principle of action would constantly prejudice the protection of American interests throughout the whole of China. The Department's instructions are requested.

For the Minister:
PERKINS

793.94/4592 : Telegram

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

SHANGHAI, March 4, 1932—1 p.m.
[Received March 5—10:36 a.m.]

156. 1. The retreat of the 19th Route Army places Shanghai in a comparatively undisturbed state. It is not anticipated that the peace of the Settlement will again be seriously threatened at this time. This condition makes it necessary to consider the future so far as the International Settlement is concerned. Two things are very important for the consideration of local and home authorities concerned.

2. First, Hongkew and Yangtzepoo must be as completely restored to the Shanghai municipal administration as the state of emergency will permit and that at the earliest possible moment. Under the protestation that their military activity was entirely for the defense of the International Settlement, Hongkew and Yangtzepoo have been under the exclusive control of the Japanese forces since January 28th. The public functions of the Shanghai municipal government have been thwarted and a reign of terror substituted therefor by the arbitrary

action of Japanese military. The state of emergency was assumed by the Japanese to license them to take over complete municipal control of this district and to commit outrages that render life and property insecure for all but Japanese. This condition must cease and the district [be] restored to the Shanghai Municipal Council for administration with Japanese military merely to supplement the municipal police as defense agents on the perimeter of their sector so long as such state of emergency exists. The administration by the Shanghai Municipal Council must be exercised by those recognizing only the Shanghai Municipal Council. There are 1924 authenticated cases in which the Japanese interfered with the functioning of police authorities between January 28th and March 1st. There are innumerable cases which are based upon firm conviction of their existence but which have not at the present time been definitely authenticated.

3. Second, it is hoped that the powers concerned will give careful consideration to the future of the International Settlement and the safeguarding of the Settlement and all lives and property located therein or adjacent thereto. If it was not known before, recent events have convinced all careful observers that the land regulations have served their purpose and have become obsolete; the first special district court is received by Chinese officials as being an instrument to carry out party orders within the Settlement and therefore is not an independent court. The extra-Settlement and concomitant road questions are well known to the Department. The Court and the Municipality of Shanghai are constantly antagonistic, rendering the Settlement impotent in regard to forcible collection of taxes and the preservance of law and order. The want of cooperation of the Court and of Shanghai Municipal Council places us in a monstrous position. Had there been cooperation and had the boycott agitators, who destroyed or stole property, been regarded by the first District Court as possible criminals rather than Shanghai patriots, it is by no means unlikely that the severity of the present situation might have been minimized if not averted.

4. While the Sino-Japanese conflict continued I ventured to transmit to the Department by the pouch of February 23 a plan[39] as a basis for discussion with the hope that its proposal by the United States Government might save Shanghai for all time as a place for valuable residence. This scheme has been reviewed critically by well-known Chinese businessmen and unless some unanticipated reason presents itself it is believed that it would receive the tacit support of the most important Chinese businessmen in Shanghai. It would not receive support from the politicians. The scheme proposes that a special area,

[39] Not printed, but see despatch No. 8126, February 19, from the Consul General at Shanghai, p. 403.

including the International Settlement, French Concession and Greater Shanghai be created by a charter from China granting the residents 35 years' administration under a governor appointed by The Hague. It is realized that a charter would not be favorably considered by China ordinarily but such proposal might be acceptable to all parties at some stage of the imminent negotiations. I trust the Department will consider my despatch in the sense that it has been presented and if it finds merit possibly it may be used at some stage. I really believe that it is the best scheme that I have seen and it is not in contravention of the Feetham report which at the time of its issuance did not seem to have any great practical value but under new developments it is possible that such report would be of great assistance.

Repeated to the Legation. Copy to the Minister.

CUNNINGHAM

793.94/4573 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 4, 1932—2 p.m.
[Received March 4—12:10 p.m.[40]]

51. Last evening Simon told Davis he had received a cable from Admiral Kelly which made him feel rather confident that the time had now come when hostilities could actually be stopped and that the British and Americans must keep in constant touch and that he wished to see Davis and myself to continue cooperation.

Thus after talking on the telephone with you last night Davis and I called on Simon and subsequently on Sir Eric Drummond and Massigli in the temporary absence of Paul-Boncour.

Regarding your preoccupation as to the Assembly not taking a declaration concerning the nonrecognition of rights acquired by violence and in conflict with treaties, Sir John was emphatic in his declaration that he is in entire agreement with you, that this is the minimum which the Assembly should do and he had no reason to doubt that they would do so but that if by any chance it failed he would make a pronouncement on behalf of the British Government. He charged me to assure you of his entire accord and invited your attention to the resolution come to of the Twelve on February 16th[41] as well as the declaration by Briand on January 29th[42] which is more vigorous in tone than that of February 16th. He added that the Twelve could for juridical reasons act only as individuals but that now the states represented on the

[40] Telegram in two sections.
[41] See telegram No. 25, February 16, 9 p.m., from the Minister in Switzerland, p. 363.
[42] See League of Nations, *Official Journal*, March 1932, p. 336.

Assembly could make more emphatic declarations as states. He said that he had not confided his thoughts to London but had only reported acts, that even if some declaration to the contrary had been made it should be disregarded as he himself was directing foreign policy and no one there was authorized to say what was in his mind nor was he responsible for the various currents of opinion that might arise from divergent party views with respect to his attitude. I only touched very lightly on the possibility of noncooperation in Shanghai in connection with awaiting the Assembly's action but explained to him that it would facilitate American cooperation with the League to have the League manifest its cooperation as early as possible because both of us were convinced of Sir John's determination and because we are unwilling to do anything which would jeopardize the cooperation between Great Britain and America. We feel strongly that any hesitancy on our part now to cooperate in Shanghai would be lamentable and it must be borne in mind that the Assembly machinery is cumbersome and that it may take some days to arrive at a decision.

We then saw Drummond and he was of the same opinion and was candid in his assertion that he had not the slightest doubt that the Assembly would go at least this far. From a strategic point of view he thinks it would be a mistake to introduce a resolution to this effect at the early stages of the General Commission's debate as it might give the impression to the more violent members of the Assembly that there was an endeavor to choke them off. However, it might be said by some speaker in the early stages that such a resolution was the minimum the Assembly could attempt and must certainly be one of the steps which it would take.

Regarding Massigli. He was also in complete accord and recognizes that the least the Assembly must do is this step nor had he heard anyone offer objection. Last night Massigli stopped Davis, told him the French were uncomfortable about status of negotiations for the cessation of hostilities; that it put France and the other powers who had associated themselves with proposal of the Council in an unsatisfactory position as long as the British Admiral is attempting to negotiate a cessation alone and said it would not only be more satisfactory for the other powers concerned to sit in but that it would increase the possibilities of success by having them show a united front. When we met Simon this morning we conveyed this to him. He immediately said this was undoubtedly true and that he would at once instruct Lampson to suggest to Kelly that in any further parleys the latter invite representatives of the other principal powers to be present. We have subsequently so informed Massigli who was quite pleased.

WILSON

644591—48——39

793.94/4562 : Telegram

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

SHANGHAI, March 4, 1932—5 p.m.
[Received March 4—9:50 a.m.]

154. Continuing my daily report[43] number 148, March 3, 4 p. m.

1. When the Japanese ordered cease firing they stated that they would hold a line Liuho, Taisang, Nanziang and Chenju, but it is now reported that fighting is continuing between Nanziang and Quinsan to the northwest. It may be that the troops that are engaging the Japanese are discontented Chiang Ting-wen's forces which are recently supposed to have reenforced the 19th Route Army but this has not been confirmed. This is beyond the so-called 20-kilometer limit set by the Japanese.

2. There is considerable excitement in Nantao because the Chinese are afraid that the Japanese are liable to take over that section of Greater Shanghai. The Japanese have stated that they will not land in Nantao unless Japanese property is molested. Thousands of refugees are pouring into the adjacent [French] Concession and the Settlement.

3. The Japanese are still patrolling Chapei and the situation there has not been stabilized as yet. In view of the fact that remnants of the Chinese troops may have remained in Chapei and that dangerous objects such as mines, hand grenades and other explosives may have been left behind by the Chinese troops, the Japanese authorities have warned the public not to go into the district of Chapei for the time being until all danger will have been removed by the military authorities temporarily occupying the district. It is pointed out that it will take a few days before Chapei can be restored to order.

4. Shanghai is returning to a peaceful state. Residents of the districts north of Garden Bridge extending right up to Dixwell Road area may now return to their abandoned homes with comparative safety. The municipal police officers attached to Dixwell Road station are returning to their station today. Also certain of the public schools in that district are reopening on Monday.[44] Barbed wire entanglements are being removed from along North Szechuan Road.

Repeated to the Legation and Nanking.

CUNNINGHAM

[43] Later daily reports not printed. They were discontinued after March 8.
[44] March 7.

793.94/4574 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 4, 1932—6 p.m.
[Received March 4—2:40 p.m.]

52. In first stage afternoon meeting of the General Commission of the Assembly[45] conflict was precipitated on the question of fact concerning the cessation of hostilities and proposal made that the qualified military authorities of the principal interested powers should be instructed to report immediately as to the facts. Simon, Boncour and the Italian representative agreed so to do. If you approve please send instructions to Shanghai immediately and notify me. Also furnish me, as urgently as possible, any reply received for transmission to the Secretary General.

Should the military authorities decide to cooperate in one report I suggest appropriate instructions be sent to our representative. Naturally I have made no commitment on this subject.

WILSON

793.94/4556½

Memorandum of Trans-Atlantic Telephone Conversation[46]

SECRETARY: Hello, is that you, Wilson?

MR. WILSON: Yes, this is Wilson.

SECRETARY: Well, I have received your No. 51.[47] It has just come. I want to say something in clarification of what I told you yesterday.

MR. WILSON: Yes, Sir.

SECRETARY: My holding back in Shanghai is not predicated upon a desire to wait until the Assembly has acted, although I am naturally anxious to be sure that that matter is going on just as fast as we are on the matter which the others want.

MR. WILSON: I think if there is one thing humanly sure, it is that the Assembly will act along the lines you want.

SECRETARY: Well, I am glad you feel that way now. Yesterday when you called you were a little bit doubtful.

MR. WILSON: I was then, but I am assured now by conversations I have had today.

SECRETARY: Well, I am glad to hear that, but here is the real point.

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[45] See League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 38–43.

[46] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, March 4, 1932, 4 p.m.

[47] March 4, 2 p.m., p. 508.

Are you listening? Here is the situation which is controlling my attitude in regard to the Shanghai conference.

MR. WILSON: Yes.

SECRETARY: We made an offer last Sunday[48] or Monday on the suggestion of Japan, really coming to us through the British and the League of Nations and it was predicated in general upon an immediate cessation of hostilities.

MR. WILSON: I am sorry I did not get that, will you repeat it?

SECRETARY: I said our proposal was predicated upon an immediate cessation of hostilities. At the very time when we were drawing it up, the Japanese Admiral, Nomura, had called a conference on Sunday on Admiral Kelly's warship and they were advocating an immediate mutual simultaneous truce—cessation of hostilities. On that basis we went into this and the Japanese Government formally accepted this on Tuesday, the first of March. In spite of all that they went on with a very large general attack, the largest one that has been made, and absolutely disregarded ——

MR. WILSON: In spite of the general attack, after that what did you say?

SECRETARY: The Japanese went on with the general attack after they had instigated this movement and after they had accepted it when it had been formulated, so that the very foundation of what we acted on has been knocked out by them and I am naturally very careful to see that if we go on with this part they want that it is going on under the necessary safeguards to protect China. Do you see?

MR. WILSON: Yes.

SECRETARY: I am unwilling to go into any conference until I am sure that the Chinese are willing, otherwise the presence of the four powers will be used as a club to club the Chinese into coming in. In the second place, now that Japan has shown her readiness to go back on the understanding of the cessation of hostilities, I want to be sure that the other limitations on this discussion are also rigidly adhered to.

MR. WILSON: Yes, Mr. Secretary.

SECRETARY: Now, particularly I want to be sure that no matters are discussed which would be outside of the limitations we put into the offer of the League of Nations.

MR. WILSON: I am afraid I lost that, will you repeat it?

SECRETARY: You remember last Sunday when this proposal of the League of Nations was formulated we had certain conditions. Japan agreed that she had no political or territorial designs and no intention of establishing a Japanese Settlement in Shanghai or otherwise advancing the exclusive interests of Japan, and you will remember in the

[48] February 28.

discussion that I had with you over the telephone, I also wanted it to be clear that the other foreigners should not be trying to enlarge the Settlement under the cover of Japan's offensive.

MR. WILSON: Yes, Sir.

SECRETARY: I am very much afraid that if this conference comes on without these restrictions being agreed to beforehand, when they get together Japan will bring up those things and will likely be backed up by powers in the International Settlement, so that they will be trying to get something out of China.

MR. WILSON: The action of the Assembly this afternoon has clarified that situation.

SECRETARY: Tell me what it is.

MR. WILSON: They have adopted a resolution reading as follows:

[Here follows text of resolution quoted in telegram No. 101, March 4, 9 p.m., *infra*.]

That is the end, Mr. Secretary. You see that under this resolution the Assembly is concentrating only on the cessation of hostilities and the withdrawal of the Japanese forces.

SECRETARY: Yes. Well now, I understand that but it does not get what I am talking about.

MR. WILSON: The Assembly called for the resolution of February 29th.

SECRETARY: Say that again.

MR. WILSON: This resolution concentrates on the cessation of hostilities and the withdrawal of the Japanese forces. Those are conditions precedent to the adoption of the measures called for in the Council's proposal of February 29th.

SECRETARY: Well now, just let me make this further step clear to you. When this conference comes on I don't want anything taken up there of a permanent nature of interests like the enlargement of the Settlement, because I think that it is only fair to China that any such propositions as that should be taken up at the same time that her own claims against Japan are taken up of a permanent nature.

MR. WILSON: Mr. Secretary, yes, I understand that and have so explained to Simon. Your insistence on a fair deal with China [not?] to enlarge the Settlement is fully understood by him and Drummond and Paul-Boncour.

SECRETARY: I do not think it would be a fair deal to China to take up matters of that nature at the time when you could not also take up Manchuria, you see?

MR. WILSON: Yes, certainly.

SECRETARY: In other words, there are two classes of matters which must be settled. First, the steps which the Assembly is on now, cessation of hostilities and the clearing up of this actual conflict at Shang-

hai. Secondly, there are other controversies of a general nature between Japan and China which must be taken up separately from the first class of cases.

MR. WILSON: I agree and it is understood here.

SECRETARY: When they are taken up they must include the claims which China is interested in as well as the ones of Japan. Of course, one of the most important things that China is interested in is Manchuria. You understand that?

MR. WILSON: Does that mean that you want in any discussion as to the eventual settlement in Shanghai that the Manchurian thing should be discussed as well.

SECRETARY: Yes. It is a question of this nature, not relating to this fighting, but relating to general controversies between the other two.

MR. WILSON: It is only a question of the protection of the Settlement that can be discussed at Shanghai, without bringing in the Manchurian problem.

SECRETARY: Yes, it is a pure question of military protection and not of any commercial interests. If Japan is trying to get limitations on a peaceful boycott, for instance, not for protection of nationals which is a military matter, but a commercial boycott, why, she has got to discuss that at the same time China discusses Manchuria.

MR. WILSON: I understand perfectly.

SECRETARY: Otherwise, we will have China left out on the limb.

MR. WILSON: Mr. Secretary, Yen has fully approved this resolution of the Assembly.

SECRETARY: Yen has? Well, one thing more, Wilson ——

MR. WILSON: Mr. Secretary, may I inform Drummond that you are instructing our officials in Shanghai to help in this negotiation called for by the Assembly resolution that I read you?

SECRETARY: I think I shall probably be able to do that, but you better not do it now.

MR. WILSON: I will [a]wait a telegram from you.

SECRETARY: You can tell him what my attitude is. I am not going to instruct my people to go ahead until I am sure it is not going to be used as means of a pressure on China. I understand what you told me about Yen but I want to be absolutely sure.

MR. WILSON: I think this is illuminating. Sato wanted to insert the words ["]to regulate the details and the conditions of the withdrawal of the Japanese forces["]. He was fought vigorously by the entire Assembly and finally withdrew his request for the insertion of the words "and conditions" so that no condition in the sense of a political agreement or commercial agreement would be attached to the withdrawal of the Japanese forces.

SECRETARY: Yes, I see. Well, Wilson, I want to say one thing more

that this attitude I am taking in regard to the boycott in [*and?*] Manchuria is made necessary by the recent notice that Japan has served that she proposes to take up the boycott matter now in Shanghai.

MR. WILSON: I will not leave any misunderstanding on that.

SECRETARY: No. Remember this, when I speak of the boycott I am speaking of the boycott pure and simple. I am not speaking of violence which made necessary the landing of troops to protect nationals, but I don't want to have China segregated from her legitimate claims by the action of the four powers.

MR. WILSON: I understand, Sir.

SECRETARY: Now, I think you can tell Drummond that you have had this talk with me and you can explain my position and tell him I am going to help along as far as I can, but I don't say unequivocally that our people will join entirely on what I now hear.

MR. WILSON: I have telegraphed the details on this thing which you ought to have in an hour or two, so I shall wait for further instructions from you about instructions of the officials at Shanghai.

SECRETARY: I shall instruct my officials directly.

MR. WILSON: Of course, but notify me you have instructed them when you do it so that I can notify Drummond.

SECRETARY: All right, I am very much obliged. I wanted you to understand the real reasons which are controlling our policy in regard to this conference now at Shanghai.

MR. WILSON: You can be convinced that the whole temper of the Assembly was in line with your thought and everyone had the same preoccupation that it must not be done under the shadow of Japanese guns and China must not be put in an unfair position in carrying out these.

SECRETARY: Assure them of my utmost desire to cooperate as far as I can be assured that China's interests are not being jeopardized.

MR. WILSON: That is right.

SECRETARY: All right. Good-bye.

793.94/4575 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 4, 1932—9 p.m.
[Received March 4—5:25 p.m.]

101. Consulate's 99, March 3, 9 p.m.[49] Following the meeting of the General Committee this evening the President called a meeting of the Plenary Assembly which passed unanimously (including both parties to the dispute) the following resolution:

[49] Not printed.

"The Assembly recalling the suggestions made by the Council on the 29th February and without prejudice to the other measures therein envisaged;

1. Calls upon the Governments of China and Japan to take immediately the necessary measures to ensure that the orders which, as it has been informed, have been issued by the military commanders on both sides for the cessation of hostilities, shall be made effective;

2. Requests the other powers which have special interests in the Shanghai Settlements to inform the Assembly of the manner in which the invitation set out in the paragraph has been executed;

3. Recommends that negotiations be entered into by the Chinese and Japanese representatives with the assistance of the military, naval and civilian authorities of the powers mentioned above for the conclusion of arrangements which shall render definite the cessation of hostilities and regulate the withdrawal of the Japanese forces. The Assembly will be glad to be kept informed by the powers mentioned above of the development of these negotiations."

Details of the meeting of the Committee and of the Plenary Assembly will follow.[50]

GILBERT

793.94/4576 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 4, 1932—9 p.m.
[Received March 4—5 p.m.]

53. With reference to resolution of the Assembly adopted this afternoon transmitted by Gilbert, I have received following letter from Drummond dated today:

"The Assembly this afternoon adopted the accompanying resolution regarding the cessation of hostilities in the vicinity of Shanghai which, as you will see, invites the cooperation of the powers having special interests in the Shanghai Settlements.

The British, French and Italian representatives accepted this suggestion for cooperation insofar as their respective Governments are concerned. I should be very grateful if you could inform me if the American Government would also be able to cooperate".

In this connection see my 52, March 4, 6 p.m.

Simon informed me during course of debate that the words in the first paragraph "and without prejudice to the other measures therein envisaged" had been inserted at his instance because he thought this would be more satisfactory to you.

WILSON

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[50] See League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 38–44.

793.94/4589c : Telegram

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

WASHINGTON, March 4, 1932—11 p.m.

76. For the Minister.

1. Wilson telegraphs from Geneva[51] that disagreement arose in League Assembly meeting on the question of fact concerning cessation of hostilities at Shanghai and that proposal was made that "the qualified military authorities of the principal interested powers should be instructed to report immediately as to the facts". Also that the British, French and Italian representatives at Geneva agreed to issue such instructions.

2. Please inform Admiral Taylor of my desire that the American military authorities cooperate with the military authorities of other interested powers in making the report in question. Also that I feel that American military authorities should be guided by the procedure set forth in Department's telegram of February 5, 6 p.m. to the American Consul at Shanghai, paragraph 2.

3. This instruction relates only to the report on the question of fact referred to in paragraph 1.

4. Telegraph Department action taken and inform Department of findings of fact.

STIMSON

793.94/4576 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 4, 1932—11 p.m.

27. Your 52, March 4, 6 p.m., and 53, March 4, 9 p.m.

Have telegraphed Shanghai requesting that American military authorities cooperate. Inform Drummond.

STIMSON

893.01 Manchuria/23 : Telegram

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

PEIPING, March 5, 1932—noon.
[Received March 5—2:50 a.m.]

306. Following from American Consul General, Mukden:

[51] Telegram not printed.

"March 4, 5 p.m. Chao, Mayor of Mukden, in a press interview today, stated that Chang Ching-hui would go to Tangkangtze, 60 miles south of Mukden on the 7th where he will meet ex-Emperor Hsuan-tung who is to be brought for this purpose from Port Arthur, and make the third request that he 'resume the post'. Chao stated that it is expected he must accept the proposal and that he will proceed to Changchun where the installation ceremony will take place on the 9th. The 10th, 11th, 12th will be declared holidays throughout the provinces."

For the Minister:
PERKINS

793.94/4586 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 5, 1932—2 p.m.
[Received March 5—10:09 a.m.]

54. On reading over the record of our telephone conversation last night it has occurred to me to state to you a thought which I neglected to mention at that time. The plan comprised in the Council's resolution of February 29 and the Assembly's resolution of yesterday, both comprise the presence of Americans in every discussion. You may consider that this fact in itself is a safeguard for the prevention of unfair advantage being taken of the Chinese and I gather that Yen so considers it.

An idea has been discussed this morning as to the method of limiting the scope of the Conference called "round table" for want of a better name. It is suggested that the Ministers of the four principally interested powers in Shanghai should be requested to submit a proposed agenda for the conference after consultation with their Japanese colleague and the local Chinese authorities.

This would carry the advantage of an agenda prepared by those having intimate knowledge of local necessities and would be more carefully thought out and efficacious than would the result of a debate among the states of the Assembly.

Since discussion on this point may come up this afternoon I should appreciate being advised very urgently whether you consider such a plan useful and our cooperation therein feasible.

WILSON

793.94/4591 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 5, 1932—3 p.m.
[Received March 5—10:40 a.m.]

55. Yen sent me a note during the session this morning to the effect that it would be helpful if the American Government would urge, at the various capitals, that the delegates of the separate nations be instructed to adopt a firm attitude in the Assembly on matters of principle.

Unless you feel that I should adopt a contrary course I propose to tell Yen that I am making your views very clear to such delegates as I consider useful here in Geneva, that the fact that I am doing this unofficially renders it no less effective and that such action as he proposed might cross wires and would surely be misinterpreted in view of our nonmembership in the League.[52]

WILSON

793.94/4583 : Telegram

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

SHANGHAI, March 5, 1932—8 p.m.
[Received March 5—9:10 a.m.]

Italian Chargé d'Affaires has received a telegram from the Italian Ambassador in Tokyo to the effect that he understands whatever the Chinese reply may be with regard to proposed Shanghai conference the Japanese Government will continue to consult with the interested powers and will not resume hostilities so long as Chinese forces do not come within 20-kilometer zone.

JOHNSON

793.94/4586 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 5, 1932—9 p.m.

28. Your 54, March 5, 2 p.m. I see dangerous possibilities in your suggestion. It appears to dispossess Nanking from the formulation of agenda. The local Chinese authorities do not seem to me an adequate representation of China, and arrangements made with them

[52] The Secretary of State replied in telegram No. 34, March 7, 8 p.m., "I approve the course proposed."

might not be ratified by Nanking. Such an arrangement may too easily be misrepresented as a working alliance between Tokyo and the four powers against China, endeavoring to slide through some long-sought foreign advantages in the Settlement at the expense of Chinese national interests. In Yen's letter to Boncour of March 2 he made the following condition: "It is of course understood that participation in this conference is subject to agreement between participating governments as to its agenda". I should be surprised if he did not mean Nanking and not the local authorities. In my opinion every effort should be made to get the highest possible Chinese authority into this conference.

STIMSON

793.94/4598 : Telegram

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

SHANGHAI, March 6, 1932—1 a.m.
[Received 3 a.m.]

Your 76, March 4, 11 p.m. Captain Mayer after conferring with British Military Attaché feels that while major hostilities between main Chinese and Japanese forces ceased on March 3d, minor engagements between contact groups have occurred on March 4th and 5th particularly near Wangtu (Huangtu) 4 miles west of Nanziang Station and also near Liuho. These engagements apparently are brought on by the efforts of the Chinese to establish a favorable line of outposts. Japanese aeroplanes have been scouting over Chinese lines and rear areas.

JOHNSON

793.94/4594 : Telegram

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

SHANGHAI, March 6, 1932—10 a.m.
[Received March 6—5:26 a.m.]

Gist of Chinese Government's views on Japanese terms of March 2nd were communicated confidentially to British Minister by the Vice Minister of Foreign Affairs March 4th as follows:

Chinese consider proposals tantamount to dictation of terms. Unilateral withdrawal by Chinese merely in return for cessation of hostilities is unacceptable in principle though now one of academic interest. China might consider idea of a conference contemplated in the second paragraph of the Japanese proposals but only if its scope lim-

ited to methods of mutual withdrawal and no other questions raised. Third paragraph is considered worse than the ultimatum and the fourth paragraph could at any time serve as a pretext for Japan to resume hostilities.

JOHNSON

793.94/4593 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 6, 1932—11 a.m.
[Received March 6—7:25 a.m.]

56. Your 28, March 5, 9 p.m. When I dictated my 54, March 5, 2 p.m., I made a slip of the tongue in dictating the word "local". I had no intention of differentiating between the Shanghai and Nanking authorities. Please state urgently whether the idea thus amended by providing consultation with Nanking meets with your approval. I should like to be in possession of the information if possible Monday morning.

WILSON

893.01 Manchuria/24 : Telegram

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

PEIPING, March 6, 1932—noon.
[Received March 6—3:40 a.m.]

309. Following from Consul General, Harbin:

"March 5, noon.

1. Japanese troops have detrained at Hailin on eastern line of railway.

2. Li Shao-ken has been appointed president of Chinese Eastern Railway by new government of Manchuria in place of Mo Te-hui.

3. Japanese-controlled press claims that this indicates that the Soviet Government, which evidently approved of this appointment, intends immediately to recognize the new government, but Soviet Consul General states he has received no instructions regarding this question. This press further states independent maritime customs will be established by new state.

4. Mayor Pao has decided to spend local dollars one hundred thousand of municipal funds to celebrate on March 9th, 10th, and 11th inauguration of new state."

For the Minister:
PERKINS

793.94/4593 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 6, 1932—3 p.m.

30. Your 56, March 6, 11 a.m.

1. If the Chinese authorities with whom our Minister at Shanghai is to consult in regard to agenda are the highest national Chinese authorities, I feel that my No. 28, March 5, 9 p.m. to you and my instruction to Minister Johnson of March 5, 9 p.m.[53] the text of which was communicated to you in my No. 29, March 5, 10 p.m.,[54] sufficiently indicate my views in regard to the points raised in your telegrams 54 and 56.

2. It would seem important to get the representatives of the various powers most concerned into conference at Shanghai at the earliest possible moment.

STIMSON

793.94/4599 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 6, 1932—9 p.m.
[Received March 6—6:35 p.m.]

57. The ideas which you expressed to me in our telephone conversation of March 4th and which are embodied in your 29, March 5, 10 p.m.,[55] I have made clear to Drummond and the British, French and Italian delegations. I am taking no further steps today awaiting instructions from you as to the idea suggested in my 54 as explained in my 56, March 6, 11 a.m. On reliable information, reflection and conversations including Yen and Olds with whom I have been in constant contact [I?] emphasize the thought (also brought out in Johnson's view as expressed in your 25, March 1, midnight) of the danger of having negotiations treat of anything except the withdrawal Japanese troops and the reestablishment of peaceful conditions in the Shanghai area. The instructions which you have given to Johnson as conveyed in your 29, March 5, 10 p.m., make the situation eminently clear and raise the question again of whether in dealing with a small body there, that is his British, French, Italian and Japanese colleagues and the Nanking authorities, Johnson cannot

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[53] For Department's instruction, see telegram No. 77 to the Consul General at Shanghai, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.

[54] No. 29 not printed.

[55] Not printed; it quoted telegram No. 77, March 5, 9 p.m., to the Consul General at Shanghai, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.

keep this matter restricted better than we can in Geneva with the disadvantage of dealing with the representatives of 50-odd nations. If certain details arose outside the scope of their instructions which they might consider it necessary to discuss, they could request further instructions from their respective Governments. It was the foregoing which I had in mind when I conveyed to you the suggestion of allowing the agenda to be drawn up in Shanghai.

WILSON

793.94/4600 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 7, 1932—2 p.m.
[Received March 7—9 a.m.]

58. Have had conversations this morning with both Yen and Olds. Their ideas run along the same line as yours as to the conversations which can be immediately undertaken.

As our thoughts run along similar general lines we will be asked in conversations with representatives of other states to push for same objective.

WILSON

793.94 Commission/134 : Telegram

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

SHANGHAI, March 7, 1932—3 p.m.
[Received March 7—11:45 a.m.]

161. My telegram No. 99, February 23, 11 a.m., regarding third report League of Nations Committee. Fourth report dated March 4th [*5th*][56] covers recent developments including withdrawal of Chinese forces beginning March 1st. Report states as follows:

"Early in afternoon of March 3rd the Japanese military commander issued announcement that as the Chinese forces had retreated out of the area designated in the Japanese demands dated February 18th, thereby removing the menace to the safety of Japanese nationals as well as of the International Settlement, he had decided to order the Japanese forces to halt, for the time being, at the point[s] actually held and to stop fighting provided the Chinese forces did not resort to further hostile action. Japanese naval commander issued announcement in the same sense. In his report [*the evening*,] Chinese commander also announced that he had officially informed [*ordered*] all

[56] League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, p. 204.

Chinese authorities [*forces*] to cease hostilities against the Japanese troops unless attacked by them.

It is important to make clear that all attempts to obtain an agreed armistice have hitherto failed. The Japanese have ceased their advance for the time being but local fighting nevertheless occurred in outlying districts during the night.

The interference by the Japanese with the police and other municipal function[arie]s reported in our second telegram continued during the whole of period under paragraph [*review*] and formed the subject of those [*repeated*] protests to the Japanese authorities."

I have concurred in the report.

Repeated to the Legation and Nanking for information. Copy to the Minister.

CUNNINGHAM

793.94/4616 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 7, 1932—7 p.m.
[Received 8:23 p.m.]

106. Wilson's 51, March 4, 2 p.m. Sir John Simon spoke in the General Commission of the Assembly this afternoon.[57] Before beginning his speech he made the following statement to Ambassador Gibson:

"I am going to put us squarely in line with America and I hope you will telegraph it."

The pertinent portion of Simon's speech follows:

"Should we not take this opportunity solemnly to reaffirm the fundamental principles on which the League is based and by which every signatory is bound? Should we not declare afresh that the Covenant of the League of Nations does not authorize a state, however well founded its grievances against another state, to seek redress by methods other than the pacific methods set forth in article 12 of the Covenant? The Pact of Paris which together with the Covenant is one of the pillars of the peace organization of the world, provides, as my distinguished friend Mr. Titulesco has pointed out, under article 2 that 'the high contracting parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be which may arise amongst them should never be sought save by pacific means'; should we not make reference afresh to article 10 of the Covenant by which all members of the League have undertaken to respect and preserve as against external aggression the territorial integrity and existing political independence of all mem-

[57] For minutes of meeting, see League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 58–67.

bers of the League? These propositions therefore are propositions which every member of the League is bound to accept without regard to the merits of the controversy and all these complicated matters. Changes brought about not as the result of conciliation and peaceful adjustment but by means contrary to the Covenant of the League or the Pact of Paris manifestly could not receive the approval of members of an assembly of nations which exists for the very purpose of observing these obligations and upholding these principles.

Such are the general lines of the declaration which I would invite my colleagues here to join in formulating. It would not be the complete discharge of our duty, not at all, but it would be a step we can take and ought to take at the end of our general discussion."

GILBERT

793.94/4600 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 7, 1932—7 p.m.

33. Your 54, March 5, 2 p.m., to 58, March 7, 2 p.m., inclusive, and my 28,[58] 29,[59] and 30;[60] also, most recent telephone conversations.

I feel as a practical matter that the actual agenda for the proposed conference will have to be worked out at Shanghai. I think it is highly important, however, that the representatives of the neutral powers who are to participate in the conference and in the preparation of the agenda should be clearly instructed as to the strict interpretation of the scope of the conference intended by the Assembly's resolution as Johnson has been instructed as reported to you in my 29, March 5, 10 p.m. Johnson has already been authorized to participate in a conference on this basis in relation both to procedure and agenda.

In the meantime, I think our activities at Geneva should be confined to discreetly encouraging clarification and emphasis by the League and by member governments of views and positions coinciding with ours and to discouraging retreat from such views.

My general views stated in 23, February 26, 7:00 p.m., are unchanged.

I have been encouraged by the spirit shown by the Assembly and believe that prompt action along the lines of the Borah letter would have beneficial effect upon Shanghai Conference and may prevent

[58] March 5, 9 p.m., p. 519.
[59] Not printed; see footnote 55, p. 522.
[60] March 6, 3 p.m., p. 522.

any attempt, either by Japanese or other powers, to obtain at Shanghai permanent concessions at expense of Chinese.

A strong influence will inevitably develop among all foreigners in Shanghai, including Americans, to avail themselves of this opportunity to clear up long-standing petty grievances against the Chinese. We cannot afford to allow this to obscure the broad issues of treaty violation on which the Assembly's course is running parallel to ours. For us or any other neutral to take advantage of the Japanese military occupation to seize such benefits would destroy the moral position now taken by the neutral world towards Japan. Prompt action seems to me the surest method by which such a deteriorating tendency can be prevented.

STIMSON

793.94/4617 : Telegram

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

SHANGHAI, March 7, 1932—8 p.m.
[Received March 7—4:45 p.m.]

Your 77, March 5, 9 p.m.[61]

1. I saw my British, French and Italian colleagues at noon today and I gave them in confidence the substance of Department's instruction to me. My French, Italian colleagues have been authorized to participate in a conference but have no detailed instructions. My British colleague has had no instructions whatever. We are waiting upon events as it is not clear to us as to how negotiations between the two parties may be brought about. In the meantime Japanese continue to land troops, a large part of the 14th Division having landed within last 12 hours. Their position is described in telegram No. 164, March 7, 6 p.m., from American Consulate prepared by Captain Mayer.[62]

2. Matsuoka came to see me this morning. He expressed the hope that interested neutral powers might mediate. He is, I believe, seeing my French colleague this evening and will see my British colleague tomorrow morning.

He made it clear that neither he nor Shigemitsu had any influence with military leaders here and stated that military would not leave present occupied area until satisfied that objects of expedition have been accomplished to wit: Chinese troops must not enter evacuated area, and some satisfactory arrangement must be arrived at which

[61] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.
[62] Not printed.

will promise security to Japanese nationals living within area now occupied by Japanese troops. Matsuoka intimated that arrangements for area to be policed by Chinese after Japanese evacuation would not be satisfactory to Japanese military. He thought that a satisfactory arrangement would be to have area policed or at least supervised by the police of the International Settlement or by the international military forces here. He stated that this would of course be temporary as more permanent arrangements would be settled at a round-table conference. I informed Matsuoka that I did not think the United States Government would take kindly to any proposal which might run counter to our known policy in regard to the future status of the International Settlement. Matsuoka insisted that his suggestions were for temporary arrangements to take care of area evacuated by Japanese troops and should be distinguished from permanent arrangements which should be left for a round-table conference if and when held.

3. The Japanese are going to make a distinct bid for foreign support through the prospect of extension of Settlement. My British colleague is personally not in sympathy with any plan for Settlement extension. French Minister informs me that he does not care to have anything to do with the policing of Nantao or areas adjacent to French Concession if this is suggested by Japanese. There is a considerable body of opinion however among local British and American business residents in favor of taking advantage of present situation for the purpose of obtaining extension of Settlement area. British Minister is already experiencing such pressure and I also expect it. See Shanghai's 156, March 4, 1 p.m.

4. Chinese will be opposed to any proposal contemplating extension of Settlement.

5. Japanese are in military occupation now and I am convinced that they will not give up this occupation until they have obtained favorable terms from the Chinese Government which I believe will include some measure of foreign supervision of administration in evacuated areas adjacent to Settlement. Powers interested in International Settlement of Shanghai and in the trade of Yangtze Valley will be faced with difficult questions, for a prolonged Japanese occupation must naturally give to Japanese dominant position both as regards the Settlement and the commerce in the valley. Attitude of Japanese military seems to be that as the Chinese withdrew under pressure the Japanese are under no obligations to withdraw from 20-kilometer zone.

JOHNSON

793.94/4615 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 7, 1932—9 p.m.
[Received March 7—6:39 p.m.]

61. At this afternoon's meeting of the Assembly, Titulesco made a strong appeal for employing all the measures in the Covenant stating that while the League could afford to fail in bringing about a solution after exhausting the means at its disposal, if it failed to act to the limit of its authority it would sacrifice the confidence of all small nations.

Zaleski, Poland, offered nothing beyond a reminder that the League is really based on the provisions in the preamble of the Covenant regarding respect of treaty obligations, et cetera.

Simon then spoke (see Gilbert's telegram 106[63]). His statement seemed so entirely vague that most of us did not even gather the impression that he was advocating definite measures. On being asked afterward, however, what he had in mind as to the character of the resolution to be adopted he showed us a text which merely gives his general idea and which concludes with a very definite statement approximately as follows:

"The Assembly resolves that it is incumbent upon all states members of the League to refuse to recognize any solutions of international differences brought about by force in violation of the Covenant of the League and the Kellogg Pact."

Simon was followed by Rosso, Italy; Weizsäcker, Germany; Paul-Boncour, France, who associated themselves in very general terms with Simon's suggestions. The state of impression was one of the great powers putting brakes on the impulsive proposals of the small nations.

WILSON

793.94/4598 : Telegram

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

WASHINGTON, March 7, 1932—12 p.m.

80. For the Minister. Your March 6, 1 a.m.

See Department's 76, March 4, 11 p.m., paragraphs 1 and 4.

What common action taken? What report, if any, made by the

[63] March 7, 7 p.m., p. 524.

military representatives of the League powers to the League and/or to their respective governments?

STIMSON

893.01 Manchuria/25 : Telegram

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

PEIPING, March 8, 1932—11 a.m.
[Received March 8—1:20 a.m.]

312. 1. Following from the American Consul at Harbin:

["]March 7, noon. Local Commissioner for Foreign Affairs has invited me to attend congratulatory celebration formation new government March 9th. Please advise what action I should take."

2. Legation has replied that, as indicated in the Department's March 3, 10 a.m., Consul should take no action in this matter or others of a similar character in the absence of the Department's specific instructions. It is suggested that the Department reply direct to Harbin.

3. Following from American Consul General at Mukden:

"March 7, 3 p.m. I have received an official invitation from the Northeastern Administration Commission to attend the inauguration of the executive at Changchun on March 9, 3 p.m. This is the first communication received from new régime. I have no intention of attending nor do I consider it advisable to send an unofficial observer from this office."

Foregoing is being repeated to American Consul at Harbin for his information.

For the Minister:
PERKINS

893.01 Manchuria/25 : Telegram

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

WASHINGTON, March 8, 1932—noon.

80. Your 312, March 8, 11 a.m.

1. Department has telegraphed the Consul General at Harbin[64] directly that he should not attend congratulatory celebration and should file without acknowledgment any official invitation received from the new regime.

[64] Telegram not printed.

2. Please inform Consul General at Mukden that Department approves his attitude toward invitation to attend inauguration of the executive at Changchun and that he should file invitation without acknowledgment.

3. Inform Minister.

STIMSON

793.94/4600 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 8, 1932—noon.

35. Your 58, March 7, 2 p.m. I feel that in such conversations with representatives of other states you should proceed guardedly as regards initiative. In particular, you should guard against giving any impression that the American Government is taking sides as between China and Japan. Our position is based on our view of treaty rights and obligations, and we must not become protagonists of the views, interests or activities, as such, of either of the disputants.[65]

STIMSON

793.94/4619 : Telegram

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

SHANGHAI, March 8, 1932—3 p.m.
[Received March 8—10:55 a.m.]

Your 80, March 7, noon [*12 p.m.*]. With my British, French and Italian colleagues and our respective commanders in chief we agreed yesterday to pool our information regarding status of military operations and have same forwarded to Geneva through British Minister as Senior Minister. This information will be sent daily to Geneva from now on and serially numbered. Situation report No. 1 was due today. Does the Department desire that I repeat these reports to it?[66]

JOHNSON

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[65] The Minister replied in telegram No. 66, March 9, 4 p.m.: "All members of the Delegation have made and will continue to make the idea you lay down our guiding principle." (793.94/4641)

[66] In telegram No. 81, March 8, 5 p.m., the Department requested repetition of reports on the situation referred to.

893.00/11827 : Telegram

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

PEIPING, March 8, 1932—4 p.m.
[Received March 8—5:25 a.m.]

313. Following from Kuo Wen News Agency, Loyang, March 6th:

"General Chiang Kai-shek was elected chairman of the Military Council at this afternoon's meeting of the Central Political Council. Marshal Yen Hsi-shan, Marshal Feng Yu-hsiang, General Li Chung-jen, Marshal Chang Hsueh-liang, General Chen Chi-tang, General Li Lieh-chun and General Chen Ming-shu were appointed members of the Council.

In view of the decision of the second plenary session of the Kuomintang to alter the regulations of the Military Council so that the chairman of the Council shall concurrently hold the post of commander in chief of the National Land, Naval [and] Air Forces, the appointment of General Chiang means reinstatement in the position which he held before his retirement last December.

Speaking at today's closing exercises of the second plenary session of the Kuomintang, Mr. Wang Ching-wei, chairman of the Executive Yuan of the National Government, sounded a warning to those who prefer to indulge in criticism of the Government at this moment of national crisis instead of coming out to offer their services to the country. The greatest mission of this session is to consolidate the government in China, Mr. Wang concluded.

The manifesto of the session to the country says that the imperative task of the moment is to resist foreign aggression. For this purpose all the armed forces in the country should be determined to carry out a prolonged struggle against Japan. Anyone who tries to shirk this responsibility shall be denounced by the whole nation.

The manifesto then makes the significant statement that whatever policy the Government will adopt in regard to the diplomatic crisis will be based on the welfare of the people and will not be framed to meet the exigency of the domestic situation."]

For the Minister:
PERKINS

793.94/4654

Memorandum by the Secretary of State

[WASHINGTON,] March 8, 1932.

The Chinese Chargé d'Affaires, Dr. Hawkling Yen, called on me to show me a telegram which he had received from Dr. Yen, at Geneva, in which Dr. Yen recited the resolution of the Assembly,[67] apparently the one of Saturday, and asked the Chargé to see me in order that our

[67] See resolution quoted in telegram No. 101, March 4, 9 p.m., from the Consul at Geneva, p. 515.

Minister might be instructed that the Conference at Shanghai was to be carried on in accordance with that resolution. The Chargé was in some confusion as to when this resolution of the Assembly took place—he thought it passed today. I told the Chargé that I thought he was mistaken and that it was passed Saturday; that I had already instructed Johnson to attend the Conference and that I thought that my instructions to him accorded with the resolution of the Assembly. I told him that my view was that the military situation in Shanghai should be liquidated by itself and that the Conference should not be carried on in a way which would permit outside questions to be brought up against China under the pressure of the military occupation. The Chargé expressed himself as satisfied with my statement and afterwards he told me that he wished to express also the great satisfaction which his Government and his people took in my expressions towards China in the Borah letter. I told him that in those expressions I tried to state the historic policy of this country which would continue as the policy of this Government but, of course, this did not mean that this Government was taking sides in any other way in the present controversy. The Chargé said he understood that perfectly.

H[ENRY] L. S[TIMSON]

793.94/4633 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 8, 1932—9 p.m.
[Received March 8—5:27 p.m.]

64. This afternoon's session of the Assembly concluded the general discussion.[68] There was a series of speeches of no particular value save that of Te Water, South Africa delegate, who concluded by a blunt statement as to the need for leadership and an inquiry as to whether the representatives of the great powers felt they have given such leadership. At the conclusion of the general discussion Yen renewed the appeal he had made to the Assembly on its convening and Sato replied in the most conciliatory language he has yet used welcoming on behalf of Japan the efforts of the League and of the United States to bring about a solution of the present problem and reaffirming the faith of Japan in the Covenant and the Pact.

Beneš then proposed that a drafting committee be set up composed of the Bureau of the Assembly, together with the authors of any proposed resolutions, to meet tomorrow afternoon. This means that

[68] See League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 68–80.

Sir John Simon's proposal referred to in my 61, March 7, 9 p.m., will come before the drafting committee before being brought out in the Assembly. It will, however, be his effort to keep it entirely free from any other proposals.

It seems obvious that there is considerable apprehension among the smaller nations because of their fear lest the great powers in their desire to avoid definite action insist on setting up a small committee for the ostensible purpose of carrying on the work but for the real purpose of dismissing the Assembly without taking any definite action. There are various plans under consideration for the setting up of some committee of this sort but any such proposal is bound to encounter serious opposition from the smaller nations.

WILSON

793.94/4684a : Telegram

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

WASHINGTON, March 8, 1932—6 p.m.

82. For the Minister. In view of the intricacies of the Shanghai situation, I have taken this occasion to attempt further to clarify to you my views and the reasons underlying them. I desire that you should feel free to comment and I look to you for constructive suggestions at all times as the occasions arise because of my personal confidence in your judgment and your intimate knowledge of the existing situation and the practical problems in which we are faced and will be facing.

1. I have given to you at some length in my 77, March 5, 9 p.m.,[69] my interpretation of the resolution passed by the Assembly of the League of Nations. After reading the debates in the Assembly at the time of its passage, I believe that my strict interpretation as to the scope of the proposed conference does not differ from that of the Assembly. In other words the immediate conference proposed is a conference limited to a liquidation of the present military situation looking to a prompt withdrawal of the Japanese troops. The Assembly, in harmony with the position of the American Government, appears to have definitely taken the position that permanent concessions, either territorial or otherwise, are not to be wrung from China under the pressure of Japanese military occupation.

2. In spite of the limited scope of the conference immediately proposed there will nevertheless arise difficult problems. Because of their

[69] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.

practical nature, I have informed Geneva that I agreed with the suggestion of members of the Assembly that the agenda for the conference had better be worked out by the representatives of the interested powers at Shanghai in conjunction with representatives of the Chinese and Japanese Governments and military authorities. One of the first questions to be dealt with as suggested in your March 7, 8 p.m. will be the question of the security of Japanese and other foreign nationals living within the area now occupied by Japanese troops. This is typical of the questions which will have to be worked out immediately at Shanghai by those familiar with the problems and as to which I should like your views as they develop.

3. The reason why I have felt the scope of the coming conference should be strictly limited as described in my 77, March 5, 9 p.m., is the importance of keeping absolutely clear the broad issue of treaty violation which has now crystallized in the public mind throughout the world. Present indications are that the Assembly of the League of Nations will take action in line with the suggestion contained in the letter to Senator Borah which will result in further clarification and vindication of the important principle involved. In view of these considerations, it would be most unfortunate to have this issue obscured and the position weakened by an attempt of the nations who are interested in Shanghai to take advantage of the Japanese military operations to secure further permanent concessions from China in regard to the International Settlement.

4. A strong influence will inevitably develop among foreigners in Shanghai, including Americans, to avail themselves of this opportunity to clear up long-standing grievances against the Chinese. Realizing as I do the justice of many of these complaints and the merits from a practical point of view of some of the suggestions that will be made and without any desire on my part to be inflexible, I nevertheless believe that the main principle of the conference immediately proposed must be that no concessions of a permanent character should be demanded without the consent of the Chinese Government until the military situation has been liquidated. Otherwise all nations participating in this conference will put themselves in Chinese eyes, as joint violators with Japan of the Kellogg Pact.

5. If and when the military situation at Shanghai is liquidated, it may be that a subsequent conference will be in order with a somewhat larger scope. In such a conference a more flexible attitude on the part of all participants, including the American representatives may be in order. The representatives of the Chinese Government themselves may find it practicable to make compromises in which all could acquiesce. At the present writing it is difficult to see how such a con-

ference could omit consideration of the Manchurian question as one of the essential elements in the problem. At such a conference the Chinese boycott of Japanese goods might be a proper subject for discussion, particularly if the Manchurian question is part of the agenda. On the subject of the boycott, however, I would be very loath to have this Government join in any pressure on China to induce her to abandon a pacific boycott, her most effective weapon against Japanese aggression in Manchuria or elsewhere, unless the problems relating to that aggression were concurrently solved. I realize the difficulties in the boycott problem and in particular the practical difficulty of separating violent boycott measures from peaceful boycott measures and I should welcome your comments on this subject.

Our policy at Geneva will be to take no further initiative and to await action by the Assembly along the lines of the Borah letter. At the same time we are doing what we can to encourage unanimity on the strict interpretation of the Assembly's resolution in proposal of the Shanghai conference. In a telegram to Wilson yesterday I indicated the importance of having the representatives at Shanghai of the neutral powers instructed along the lines of my instructions to you contained in my 77, March 5, 9 p.m.

STIMSON

793.94/4634 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 8, 1932—9 p.m.
[Received March 8—7:46 p.m.]

108. 1. The resumption today of consideration by the General Assembly committee of the Sino-Japanese question was opened with a statement by Simon followed by a pertinent discussion, which have been reported by Wilson.

2. The subsequent general discussion was terminated by statements of Yen and Sato, the substance of which follows:

(*a*) Expressing gratification at the trend of the general discussion, Yen drew the conclusion from the debate that all speakers had supported the proposition that the "League must stand by its Covenant in all events" and quoted Simon in this regard.

With respect to procedure, he noted that article 15 provided in the first instance for mediation, but held that the Council had employed this for 5 months without success; if the Assembly attempted mediation again and also failed, China expects the Assembly to exhaust other possibilities under the Covenant.

Yen then noted that it had been proposed that after eventual adoption of a declaration which would be similar to that of the American

note of January 7 nothing more should be done at present on the grounds that further action would be prejudicing the case. To this procedure Yen made strong objection declaring that China did not ask or expect the Assembly to take action tantamount to prejudice the case. What China asked the Assembly was to recognize "that the Covenant has been broken" on the ground of extensive military occupation of Chinese territory in violation of article 10 and that "contrary to the provisions of article 12 Japan has publicly and formally stated that she would not submit the dispute to arbitration". Yen declared that for these facts no special verification by a commission was necessary especially as Japan admitted them and plead provocation. He considered that the attitude of the League should in effect be that regardless of provocation and excuse Japan has undertaken the settlement of the dispute in a wrong way and has broken her contract with other countries for peaceful methods of settlement to which she had agreed. The League should tell Japan to recall her troops and then the League will help to settle the dispute by methods to which all are committed. Yen asserted that a declaration that the Covenant had been violated would in no way prejudge the merits of the case.

With regard to Manchuria Yen pointed out that the resolution which created the Manchurian Commission made a distinction between the immediate matter of "stopping hostilities and liquidating the military occupation of Manchuria and on the other hand the task of adjusting the dispute itself". He recalled that the resolution expressly stipulated that the appointment and work of the Commission should not prejudice in any way the promise given by Japan on September 30 as regards the withdrawal of Japanese troops. Recalling that Japan had approved of and supported the establishment of a "puppet state" in Manchuria, Yen declared that the Manchurian Commission was intended to contribute to a final solution and was not designated "to perpetuate the foreign occupation of Chinese territory". He asked in the name of his Government that the decision of the Council regarding the withdrawal of Japanese troops "be put into execution by and through the supreme authority of the Assembly". In concluding he appealed to the Assembly to take the necessary action.

(*b*) Sato then spoke and referred the committee to Matsudaira's opening speech in the Assembly and the declarations made by Japanese representatives on the Council for a full presentation of Japan's case. He reiterated that Japan had no designs on the "political independence or administrative integrity of China" and asserted that the Japanese had only taken military measures because conditions in China left them no possibility of acting otherwise. He recalled that other countries had taken similar action in the past and asserted that there is an [*no?*] analogy between the situation in China and that existing in Europe or on the American Continent. He emphasized that Japan had no intention of using military pressure to obtain privileges and pointed out that Japan had gladly accepted the resolution of March 4th providing for negotiations to ameliorate the situation in Shanghai. Recalling that Japan has always accorded wholehearted cooperation to the League, he stated that "we accepted the Covenant in its entirety, and we wish to see it applied without deroga-

tion or without exception but with due respect to facts as they are, as this was intended by those who drew up the Covenant and as it is embodied in the texts themselves". In conclusion he expressed his appreciation of the efforts of the League and of those of the United States.

3. Beneš then proposed the appointment of a drafting committee to be composed of the members of the Bureau submitting motions, for the purpose of examining all motions and presenting final proposals as to the conclusions to be drawn from the general discussion. After a brief debate this proposal was adopted and it was announced that the drafting committee would meet tomorrow at 4 p.m.

4. Details of today's general discussion will follow in subsequent telegram.[70]

GILBERT

793.94/4639 : Telegram

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

SHANGHAI, March 9, 1932—10 a.m.
[Received March 9—8:40 a.m.]

See my March 7, 8 p.m., paragraph 4. Following from the Consul General at Nanking:

"March 8, 6 p.m.

1. Vice Minister Hsu Mo asked me to call upon him March 7, 4 p.m., and then asked that I telegraph you for the information of the Department of State in substance as follows:

2. 'In connection with the present military situation in Shanghai the Chinese Government still consents to the negotiations provided for in the third article of the resolution passed by the Assembly of the League of Nations on March 4 but only on the basis of reservations offered by the Chinese delegate, namely, that the negotiations shall relate only to armistice and the withdrawal of Japanese forces and that such withdrawal shall be without any preliminary conditions whatsoever. The Chinese Government has reason to anticipate that Japan will attempt to exploit the recent military operations at Shanghai and that Japan is attempting to enlist the support of other nations to this end. The Chinese Government desires to make it clear that it will discuss no subject with Japan at Shanghai other than withdrawal of the Japanese forces so long as Japanese forces remain in the invaded territory and if in spite of the position taken by the Chinese Government other subjects are raised then the Chinese Government will insist that Japanese military activities in Manchuria be discussed

[70] Not printed.

as well. The Chinese Government earnestly hopes therefore that the American Government will assist the Chinese Government to resist any attempt by Japan to enlarge the scope of the negotiations provided for in article 3 of the reservations [*resolution*] passed by the Assembly or to approximate the recent incidents in Shanghai, as for example, by imposing conditions to the withdrawal of the Japanese forces' ".

JOHNSON

793.94/4638 : Telegram

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

SHANGHAI, March 9, 1932—2 p.m.
[Received March 9—8:30 a.m.]

172. Following from Captain Mayer for War Department.

"27. Shirakawa announced a zone in front of Japanese outpost line in which Japanese patrols will operate and in which if Chinese troops are found a clash might result. Western limits of patrol zone are Fuchiao-Yuehwangshih-Waikang-Anting-Paihuchiang. South of Soochow Creek Japanese have detachments at Toyoda mill and Siccawei just west and southwest of the Settlement. Half of 14th Division has landed balance en route, it is reported they will relieve 9th Division which will remain in reserve. Hangchow Railway resumed operation March 7."

Repeated to the Legation.

CUNNINGHAM

893.01 Manchuria/26 : Telegram

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

PEIPING, March 9, 1932—3 p.m.
[Received March 9—4:15 a.m.]

317. Following from Reuter, Changchun, March 8th:

"The ex-Emperor Hsuan Tung arrived here by special train at 3 p.m. today and was greeted at the station by the Japanese Consul General, General Ma Chan-shan and others, who bowed three times as the ex-Emperor alighted followed by his consort and two other ladies. The 'Regent Designated' immediately proceeded to the municipal headquarters, which he is occupying as his residence."

For the Minister:
PERKINS

793.94/4640 : Telegram

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

SHANGHAI, March 9, 1932—3 p.m.
[Received March 9—10:10 a.m.]

173. The following letter was despatched by the Mayor of Greater Shanghai to the Japanese Consul General yesterday:

"I have the honor to state that as our troops have now left the regions of Woosung, Kiangwan, Chapei and other places, it has become urgently necessary for the various municipal services, such as public safety, sanitation, public utilities, et cetera, to be resumed in the interest of the public. Mindful of its duties and applications, the city government of Greater Shanghai has decided to issue orders to the organs concerned to this effect.

In view of the fact that Japanese troops are still stationed in the several districts concerned, and in order to prevent misunderstanding, I have the honor to notify you and to request that your military authorities be duly informed in this connection. Your reply is awaited."

2. I understand that the Japanese Consul General is referring the letter to his Minister and to the Foreign Office for instructions. He is unable to reply within his instructions and the opinion is freely expressed that no Chinese administrative functions will be allowed in Chapei until the various questions are discussed at the round-table conference which is supposed to be imminent.

3. The Mayor of Greater Shanghai has addressed the following letter to the American Consul General on the same subject:

"With the evacuation of Woosung, Kiangwan and Chapei by the Chinese forces, it is urgently necessary to continue the maintenance of such activities as related to public safety, public health and public utilities in each of these areas. Since it is incumbent upon the municipality to attend to the matter, we have decided to order the controlling officers to exercise their respective functions. In view of the fact that some of the Japanese troops are still quartered in the abovementioned districts, this municipality has addressed a letter to the Japanese Consul General with the request that he pass the information to the Japanese military authorities so that they may take note accordingly and send a reply in order to obviate the possibility of a misunderstanding. Meanwhile, I have the honor to transmit this for your information."

This letter requires no action on my part and only a formal acknowledgment is being sent as a reply.

Repeated to the Legation. Copy to the Minister.

CUNNINGHAM

793.94/4646 : Telegram

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

SHANGHAI, March 9, 1932—4 p.m.
[Received March 9—11:30 a.m.]

174. Referring to my telegram No. 173, March 9, 3 p.m.

1. The Senior Consul has received from the Chairman of the Shanghai Municipal Council a copy of a letter dated March 8 addressed by him to the Mayor of Greater Shanghai. This letter in full is as follows:

"I have the honor to invite your attention to the grave danger arising from the disorganized and insanitary state of those portions of Chapei which, as the result of the recent conflict, have been left without any sanitary or other essentials of public service. In particular I would emphasize that in those portions of Chapei abutting on the Settlement, and in the area adjoining North Szechuan and Dixwell Roads, any further delay in restoring sanitary conditions constitutes the grave menace to the health of the Settlement and of the whole of Shanghai. The Settlement has recently been threatened with a very severe small-pox epidemic which was largely due to imported cases, and it is feared that with the complete paralyzing of the normal conservancy and sanitary arrangements in the Chapei area, the health of the whole community will be endangered.

Insofar as its assistance has been requested in sending the municipal fire brigade and obtaining a water supply to check the spreading fire, the Council carried out what was obviously a public duty. As it has already indicated to officials of your municipality, the Council would further welcome the immediate initiation by you of sanitary work in the areas concerned, and would gladly cooperate in whatever way it could be of assistance.

Whilst the Council assures you that it has no desire to function even temporarily outside the limits of its own administration, it feels, however, that if nothing is done immediately to remove the menace to health in the contiguous areas it will be compelled of necessity to make a survey of the problem and take steps to render such sanitary supervision and service as may be required under the circumstances.

As you are already aware of the position I hardly need assure you further that the Council is solely actuated by the desire to assist and cooperate with you in a matter of public duty which, in the interest of humanity, must be undertaken by some organized body."

2. The chairman transmits the letter to the Senior Consul apparently as information only as he requests no action. There is no doubt but that the existing conditions in Chapei are a grave menace to the health of the Settlement due to the insanitary conditions and the absence of water supply. There is not the slightest doubt but that a large number of the foreign ratepayers would welcome the extension even temporarily of municipal functions to include Chapei. Some members of the Council do hope that out of the present undeclared

war the Settlement extension will result. It would appear that the menace to the health of the Settlement should be removed but if the Chinese are not permitted to function as a municipality by the Japanese then the latter should be held responsible for the performance of municipal functions so that the menace to the Settlement would be removed.

3. On March 3rd Fessenden called and stated that he had been instructed to begin to discuss with me the possibilities of extending municipal functions to Chapei in order that disease might be prevented from entering the Settlement therefrom. He emphasized at that time the necessity of introducing sanitation there although he referred to other municipal functioning. At that time I informed him that I would be very glad to convene the consular body, if he desired it, when he would present the matter fully to them. This he did not desire at the moment. I emphasized at the time the importance from a municipal standpoint of securing immediate control from the Japanese marines and military authorities of Hongkew and Yangtzepoo and extra-Settlement Roads now being occupied by Japanese. I emphasized the importance of the strengthening of municipal functioning on extra-Settlement Roads in the western district since the Chinese police were perhaps functioning less effectively on adjacent territory than they had been.

Repeated to the Legation. Copy to the Minister.

CUNNINGHAM

793.94/4645 : Telegram

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

SHANGHAI, March 9, 1932—5 p.m.
[Received March 9—10:55 a.m.]

175. Referring to Department's telegram of January 31, 11 p.m.[71]

1. I received a visit today from Colonel Gasser, in command of the 31st Regiment, and Colonel Thompson, representative of General Hines, who informed me that the regiment was very badly needed in Manila and inquired whether I had any reason for urging its retention here. I stated that after the arrival of the military authorities the number to be retained or maintained was primarily a question for them to determine taking into account whatever advice I may be able to give them regarding existing political conditions. Colonel Gasser then stated that both the Minister and the commander in chief were

[71] Not printed; it reported the ordering of troops and marines from Manila to Shanghai. See statement by the White House on January 31, p. 146.

of the opinion that the 31st could very safely be withdrawn at the present time as the emergency had passed for which it came.

2. I consulted the Secretary General of the Shanghai Municipal Council and he stated that there was no longer reason for retaining it. I do not anticipate any serious trouble from without the Settlement as the Chinese cannot be victorious in any combat with the Japanese. I do not believe that there is likely to be any internal disturbances which will assume proportions that cannot be dealt with by the present forces of foreign troops and the municipal authorities although I am of the firm conviction that the withdrawal of the 31st Regiment reduces the American forces to its minimum and it should be maintained at that strength for a very long period, certainly until all differences between the Japanese and Chinese have been adjusted. I have great concern regarding the effect of the withdrawal on the Japanese both civil and military who are increasingly brutally arrogant and overbearing and it is by no means certain that this state will not become exaggerated by the withdrawal. I have some concern regarding the effect of the withdrawal of the 31st Regiment on the Chinese mind as it is by no means certain that the Chinese mind will accept this withdrawal without some evidence of unfriendly character towards the United States as it may be regarded as a cessation of interest by the United States in the Sino-Japanese conflict. The withdrawal will be a reassurance to the people in the United States as well as to the local foreign public that conditions are improving. Taking into account the heavy initial expenditures necessary for extended billeting and the reasons pro and con stated herein, I informed them that I was inclined to take a chance by concurring with the Minister and the commander in chief.

3. I desire to express appreciation on behalf of the entire community for the despatch of the 31st Infantry at a time when conditions seemed so serious and also appreciation for the spirit of cooperation shown by Colonel Gasser [apparent omission] his staff desires regarding duration of its stay. The buildings available for billeting were by no means modern so their stay has not been a fair-weather service.

Repeated to the Legation, copy to the Minister.

CUNNINGHAM

793.94/4645 : Telegram

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

WASHINGTON, March 9, 1932—5 p.m.

86. Your 175, March 9, 5 p.m.

1. Department assumes that this matter will be brought to its attention by the War Department.

In the meantime, the Department, for diplomatic reasons, desires that the views of the various American authorities at Shanghai, as reported in your telegram under reference, be kept strictly confidential, and that no intimation be given outside of American official circles that this question is even under discussion in those circles.

Inform other American authorities concerned.

2. Have you any knowledge that authorities of other nationalities are considering possible withdrawal of contingents of their forces? Reply without making any inquiries.[72]

STIMSON

793.94/4564 : Telegram

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

WASHINGTON, March 9, 1932—5 p.m.

81. Your 301, March 4, 1 p. m., in regard to the Harbin municipal government.

1. You should instruct the Consul General at Harbin that in the premises he should neither take the initiative himself nor participate with his colleagues in any effort to bring about a reorganization of the Harbin municipal government.

2. If a reorganization of the municipal government of Harbin is attempted by others and it would appear that such reorganization would result in a discrimination against American nationals, the Department will then take under advisement the Legation's and Consul General's recommendations, based upon facts existing at the time, in regard to the problem of obtaining for American nationals at Harbin treatment on the basis of equity and non-discrimination similar to that accorded to other foreign nationals there.

3. Keep Department informed of developments.

STIMSON

793.94/4653 : Telegram

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

SHANGHAI, March 9, 1932—7 p.m.
[Received March 9—12:50 p.m.]

My March 7, 8 p.m., second paragraph.

1. Matsuoka saw Lampson yesterday and conversation followed lines taken with me. He stated Japanese would welcome third power

[72] Reply not printed.

mediation being anxious to extricate themselves from the present situation. Lampson told him that he would have nothing further to do with verbal statements and asked Matsuoka to put Japanese proposals into writing and bring them to him with the result that last night Shigemitsu brought to Lampson a slip of paper on which he had written the following:

2. "The Japanese authorities both civil and military at Shanghai are prepared to enter upon negotiations with the Chinese authorities in accordance with the terms of the resolution of the Assembly of League of Nations of March 4th. As there is reason to entertain some anxiety concerning the situation at the front it is deemed a matter of urgent necessity to reach, at an earliest possible date, a definite agreement for the complete cessation of hostilities.

Japanese authorities have all the way presumed that the Japanese attitude on the matter has been understood by the Chinese authorities. However, failing to hear anything from the Chinese Government since the aforesaid resolution was passed by the Assembly of League of Nations they wish to make clear beyond a doubt their readiness to negotiate along the lines laid down in the resolution."

3. Lampson read document over and pointed out to Shigemitsu that it contained no reference to withdrawal of Japanese troops. He kept document for study, however, and noticing that opening paragraph resembled textually paragraph No. 3 of the League resolution of March 4th, he made a marginal note for insertion after word "hostilities" at the end of first paragraph as follows: "and to arrange for the withdrawal of the Japanese forces". Document so amended was returned to Shigemitsu last evening who promised to give matter consideration. Today he returned it to Lampson with the amendment reading "and then to discuss and determine arrangements for the withdrawal of the Japanese forces". Although the British Minister observed that the word "then" would probably be unacceptable to the Chinese Government the Japanese Minister replied that a discussion of Japanese withdrawal could only follow agreement regarding cessation of hostilities. Lampson is seeing Quo Tai-chi, Vice Minister of Foreign Affairs, tonight and will show him Japanese draft and endeavor to obtain Chinese counter document.

5. [*4.?*] Quo Tai-chi intimated to me last evening that it was his personal belief that Chinese might be willing to consider a discussion of Shanghai situation at a conference which would include in its agenda the question of Manchuria.

JOHNSON

793.94/4660 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 9, 1932—8 p.m.
[Received March 9—4:46 p.m.]

67. An Assembly document (A.[Extr.]27.1932.VII.) dated March 8 circulates a letter from Yen to the Secretary-General in which he quoted a telegram from the Chinese Legation in Washington as follows:

"The two understandings contained in your statement in the Assembly before the adoption of the resolution calling on the Chinese and Japanese Governments to enter into negotiations for a definite armistice in Shanghai were brought to the notice of Mr. Stimson, American Secretary of State. Mr. Stimson stated that they were agreeable to the American position. In fact he had telegraphed to Minister Johnson on Saturday[73] authorizing the latter to participate in discussing the liquidation of the military phase of the situation, leaving the rest if necessary to a later conference at Shanghai or elsewhere. He presumed that China would place police in evacuated area to keep order."

I have telephoned Olds who promises me to ascertain from Yen whether he had any authority from you to circulate such a message. Sato of the Japanese Delegation has already asked me if I knew anything about it to which I replied in the negative. He was particularly disturbed by the last sentence in reference to the policing of the evacuated area.

Please instruct me as to your attitude on this matter particularly in regard to the last sentence. Is it your view that the evacuated area should be immediately taken over by Chinese troops or that eventually the Chinese troops should take it over after peaceful conditions have been restored perhaps under patrol by neutral forces? It would seem that since such a telegram has been circulated by Yen it may be necessary to give the Japanese some reassurance as to the maintenance of order by neutrals for the time being in the evacuated region.

WILSON

793.94/4659 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 9, 1932—11 p.m.
[Received March 9—8:55 p.m.]

68. In conversation today with Simon I mentioned the fact reported by Johnson conveyed to me in paragraph A of your 36, March 8,

[73] March 5.

1 p.m.,[74] to the effect that the British Minister had received no instructions concerning negotiations at Shanghai. Simon stated that he had sent a copy of the Assembly's resolution March 4 and that since this had been concurred in by the Minister of Foreign Affairs of Great Britain he had assumed that this was sufficient authorization. He stated that he would be glad to furnish Lampson at once with more specific instructions and asked the nature of the instructions which you had sent to Johnson in order that his might be drafted along similar lines. I conveyed to him the tenor of the instructions you had given Johnson as furnished me in the nonconfidential part of your 29, March 5, 10 p.m.,[75] and he has informed me that instructions will be sent to Shanghai this evening.

At a meeting of the Assembly Bureau this afternoon, at which were also present representatives of all states who had submitted resolutions to the General Commission, a text of a resolution was tentatively agreed upon of which the final paragraph reads as follows:

"Pending the decisions which it may ultimately take for the settlement of the dispute which has been submitted to it;

"Reaffirms the binding nature of the principles and provisions referred to above and declares that it is incumbent upon the members of the League of Nations not to recognize any situation, treaty or agreement which may be brought about by means contrary to the Covenant of the League of Nations or to the Pact of Paris."

This text will come before the Bureau again for final consideration but debate is anticipated more on the early paragraphs which contain the premises than on the final resolution itself. Inasmuch as all members present agreed to hold this matter confidential for the time being I request that you be good enough to so regard it.

WILSON

793.94/4667 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 10, 1932—10 a.m.
[Received March 10—8:50 a.m.]

112. The Secretary General circulated the following from the Japanese delegation which is described as the substance of a telegram dated Tokyo March 8th received from the Japanese Minister for Foreign Affairs:

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[74] Telegram No. 36 not printed; see telegram dated March 7, 8 p.m., from the Minister in China, p. 526.

[75] Telegram No. 29 not printed; see Department's telegram No. 77, March 5, 9 p.m., *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.

"The Japanese Government having accepted the report of the League Assembly March 4, the General Staff sent instructions once again to the commander in chief of the expeditionary forces in Shanghai to observe strictly the proclamation of March 3 for the cessation of hostilities. At the same time the Japanese Government charged the Japanese Minister at Shanghai to the effect that, in conformity with the above-mentioned resolution of the League, he should do his best to expedite negotiations for the consolidation of the cessation of hostilities with the Chinese with the assistance of the representatives of the powers interested. So far as the Japanese Government are concerned they are ready to effect at any time the withdrawal of the Japanese forces from the position they are now occupying as soon as the satisfactory arrangements for that purpose are arrived at through these negotiations. Notwithstanding that, the Chinese are putting off the opening of the negotiations for the consolidation of the cessation of hostilities and are engaged in pernicious propaganda against Japan. It goes without saying that it is impossible for the Japanese forces now facing directly the Chinese Army to withdraw without the necessary arrangement. Even from the point of view of safety of these forces it will be patent for everybody that before their withdrawal arrangements for the stoppage of the advance and offensive action on the part of the Chinese forces as well as for the maintenance of order and security in the zones evacuated by the Japanese forces should be made."

GILBERT

893.01 Manchuria/29 : Telegram

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

PEIPING, March 10, 1932—11 a.m.
[Received March 10—8:40 a.m.[76]]

320. Following from American Consul General at Harbin:

"March 9, 11 a.m.

1. Yesterday Shao Lin, appointed by Hsi Chia chief of the Harbin branch of the Foreign Office of Kirin Province, called on me and stated that he had been instructed by Hsi Chia to hand me a written invitation which in translation reads as follows:

'The Executive of the Manchurian Government will be inaugurated at Changchun at 2 p.m., March 9th, the first year of Tatung. You are respectfully requested to attend the ceremony at the time appointed. The Northeastern Government Administration Committee.'

I informed him that I could not accept this invitation because Changchun is outside of my consular district and that without instructions of the Department I could not attend celebrations of this sort.

2. Shao Lin wrote the official letter dated March 7th containing a similar invitation and requesting a reply which I have not sent.

3. The attitude of my consular colleagues except the Japanese is the

[76] Telegram in two sections.

same as mine. Vice Consul Takigawa proceeded yesterday to Changchun to attend inauguration ceremony.

4. Decorative arches have been erected at various places and the municipal government have ordered the celebration of "three *hsin*"[76a] commencing today, but hardly anyone except a few "White" Russians and self-seeking Chinese are taking celebrations seriously. Pu Yi is butt of many jokes among Russians and Chinese who realize his inauguration is a farce."

For the Minister:
PERKINS

793.94/4660 : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 10, 1932—1 p.m.

40. Your 67, March 9, 8 p.m. Dr. Yen's letter was unauthorized and inaccurate. I expressed no opinion to Hawkling Yen and have formulated no plan as to the maintenance of order in the occupied area at the withdrawal of the Japanese troops. This seems to me a matter to be discussed at the conference to be held in Shanghai in pursuance of the Assembly resolution. So far as I know, no one has as yet undertaken to specify what the arrangements must be. You may inform any responsible inquirer of the facts and my views as above.

STIMSON

793.94/4669 : Telegram

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

SHANGHAI, March 10, 1932—4 p.m.
[Received March 10—9:50 a.m.]

My March 9, 7 p.m. British Minister received today Chinese reply to the Japanese document and is transmitting it to the Japanese Minister. It reads as follows:

"The Chinese Government having accepted the resolution of the Assembly of the League of Nations of March 4th is prepared to enter into negotiations with the Japanese authorities in accordance with the terms of the said resolution and on the understanding as stated by its chief delegate Dr. W. W. Yen that (1) such negotiations are limited to matters pertaining only to the definite cessation of hostilities and the complete withdrawal of Japanese forces and (2) no condition is to be attached to such withdrawal.

[76a] "Three *hsin*" signifies good luck.

The Chinese Government has already announced through its chief delegate at Geneva its readiness to enter into negotiations for the purposes and on the understandings as above mentioned and has presumed that the Japanese authorities have been fully aware of this fact.

The receipt through Sir Miles Lampson at 5:30 p.m., March 9th, of the communication from the Japanese authorities makes it clear that they are equally ready to enter into the proposed negotiations. The Chinese Government considers therefore the way open for commencing such negotiations."

JOHNSON

811.51693/58 : Telegram

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

PEIPING, March 10, 1932—5 p.m.
[Received March 10—8:35 a.m.]

324. 1. Following from American Consul General at Harbin:

"March 9, 5 p.m., number 29.

(1) Ying Hsun, appointed last month by civil administrator Chang Ching-hui manager of the official Northeastern Steamship Company, formerly controlled by Chang Hsueh-liang, desires to draw out funds of this company deposited in the National City Bank of New York by Wang Shih-tse, who was former manager and who fled to Tientsin taking with him seals with which checks should be "chopped". Bank is unwilling to pay out funds to him although requested to do so by Ying Hsun unless officially informed through the Consul General that he is legally the manager with the authority to draw funds.

(2) As it appears it will be necessary to maintain intercourse with the local *de facto* officials, does the Legation perceive any objection to this office's receiving from these authorities of the assurances in writing that Ying Hsun is the manager and passing them to the bank without any comment on the authority of this office?"

2. If the Department approves, the Legation proposes to instruct Hanson that he may transmit verbatim to civil administrator Chang Ching-hui the bank's inquiry as to the authority of Ying Hsun to withdraw the funds in question, and that the reply of the *de facto* authorities may in turn be transmitted to the bank with a waiver of entire responsibility by the Consulate General in respect of any legal aspects of the matter. Please instruct.[77]

For the Minister:
PERKINS

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[77] The Secretary of State replied in telegram 84, March 12, 3 p.m.: "The Department does not desire that the Consulate General at Harbin concern itself in any way with the attempt of the National City Bank to ascertain the legal status of Ying Hsun and the Department therefore does not approve of the action suggested in the final paragraph of your telegram under reference."

793.94/4670 : Telegram

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

SHANGHAI, March 10, 1932—6 p.m.
[Received March 10—10:15 a.m.]

My March 9, 3 p.m.[78] was an unnumbered preliminary report. Joint situation report number 1[79] follows:

"1. On morning of March 6th Japanese had occupied points along a line running roughly from northwest of Liuho on the Yangtze sea [*via*] Lutung, 1 mile west of Kiating, to Huangtu, on Shanghai-Nanking Railway west of Nanziang, and thence bending east covering Chenju along Soochow Creek with a few patrols south of the Creek. Skirmishes were then taking place such as are involved in the case of troops occupying a new front. Japanese report occasional skirmishes between patrols but no casualties March 7th. Japanese reinforcements were disembarking at Woosung Railway wharves on the morning of March 7th. We have received no information of any change in the situation since but both sides charge the other with responsibility for fighting northwest of Liuho. We are taking steps to verify facts in this connection.

2. Owing to geographical difficulties resulting from Chinese withdrawal we are at present only able to secure first-hand information from Japanese side of front but we are endeavoring to make arrangements for maintaining contact with Chinese side also."

JOHNSON

793.94/4763

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck) of a Conversation With the Chinese Chargé (Yen)

[WASHINGTON,] March 10, 1932.

As instructed by the Secretary of State, Mr. Hornbeck asked Dr. Yen to call.

Mr. Hornbeck showed Dr. Yen a copy of Mr. Gilbert's telegram 110, March 9, 10 a. m., from Geneva.[80] This telegram contains the text of a communication dated March 8 circulated by the Secretary General of the League at Geneva purporting to contain the text of a telegram received by Dr. W. W. Yen from the Chinese Legation in Washington.

Mr. Hornbeck stated that the Secretary was surprised and displeased

[78] Not printed.
[79] Prepared by United States, British, French, and Italian representatives and telegraphed to the League of Nations.
[80] Not printed; it contained same text as quoted in telegram No. 67, March 9, 8 p.m., p. 545.

at noting that a report of a conversation between himself and Dr. Hawkling Yen had thus been circulated at Geneva. He especially objected to its having been made to appear that he had taken a position with regard to the manner in which the evacuated area was to be policed.

Dr. Yen stated that he had been surprised himself at noting in the morning papers that Dr. W. W. Yen had made this communication public at Geneva. He said that it must have occurred in a situation of emergency and was probably done for the purpose of refuting statements or intimations made by representatives of some other states. He produced and read a telegram which he said he had just received from Dr. W. W. Yen—of which he permitted Mr. Hornbeck to have made a copy (attached).[81] He said that neither he nor Dr. W. W. Yen would wish to do or would under any circumstances intentionally do anything which might be embarrassing to the Secretary of State. They appreciated very greatly the position which the American Government was taking and it was not only their desire to be helpful but their desire to be in no way the opposite. He asked that Mr. Hornbeck assure the Secretary of that.

Mr. Hornbeck said that he was confident that such was the attitude of the Chinese representatives and that it was of course realized that Dr. W. W. Yen is waging a difficult diplomatic campaign and that things move rapidly; but that it would probably be safer to leave it to representatives of the American Government to express views of the American Government. Dr. Yen said that he quite understood that and he concurred. He said that he would convey that suggestion to Dr. W. W. Yen. He said that he was sure that Dr. W. W. Yen had undertaken to state what he had understood to be the American Government's position only because the American Government had no representative present in the meeting and it had seemed that the American Government's view should be made known at the moment. He again asked that this explanation and the substance of Dr. W. W. Yen's telegram be communicated to the Secretary with expression of regret if too great a liberty had been taken or any embarrassment occasioned.

Mr. Hornbeck said that he would inform the Secretary.

The conversation then turned to the subject of the situation and problem at Shanghai. Dr. Yen said that China, like the United States, desired that the matter be handled on the basis of justice. Mr. Hornbeck took occasion to say that, speaking unofficially, he felt that China should take into consideration not alone the question of justice but considerations of equity and considerations of practical expediency.

[81] *Infra.*

He expressed the hope that the Chinese themselves would at the right moment come forward with some plan for dealing with the problem of the port of Shanghai on a basis which would take into consideration not alone the rights of China but the rights and the best interests of all concerned.

S[TANLEY] K. H[ORNBECK]

793.94/4763

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck)

[WASHINGTON,] March 10, 1932.

Dr. Hawkling Yen has just read me a telegram received from Dr. W. W. Yen, at Geneva, as follows:

"Please inform Mr. Stimson substance of his talk with you made public here by me because while views of member Governments of Assembly made known on open debate, American view unknown to members who often in such matters were misled through tendential reports of American attitude. Hope he will understand my motive."

S[TANLEY] K. H[ORNBECK]

793.94/4720

Memorandum by the Secretary of State

[WASHINGTON,] March 10, 1932.

During the call of the French Ambassador we discussed the Sino-Japanese situation and the Ambassador said that the policy of my note was evidently being adopted by the Assembly. I took the occasion to point out to him Article II of the Nine-Power Pact, saying that I was not so much of a pioneer as people seemed to think because our policy had been reflected in this Article second, signed in 1922. I pointed out that this would seem to forbid any of the nine powers from recognizing a new government in Manchuria. The Ambassador then passed to the effect of such policy and expressed the view that it might not be effective. He thought that if we went so far as to withdraw our consular service it might be just what Japan wanted. He referred to the general futility of the economic sanctions, saying that Napoleon had tried it against Great Britain and had failed, but he went on to say that he thought Japan would fail in her present effort because she

did not have the resources to carry her policy through. I asked the Ambassador if he thought that Japan was trying to establish a protectorate over China. He said, "No, that was too big." She was trying, he thought, to hold a place of advantage in Shanghai, which had many economic and political advantages. He said that it was not only the Gibraltar, but the London and the Paris of the East, controlling the whole Yangtze Valley and that more than half of the commerce of China passed out through there and that we would find that Japan would try to retain some military force there as a bargaining point with China and the rest of the world. The Ambassador then went on to describe the weakness of Japan which, he thought, would eventually cause her to fail. He said that she was extremely poor and her people were discontented; even the landowners were very poor and therefore oppressed their tenants so the result was that Japanese peasants were living on entirely inadequate farms and food supplies. He therefore expected that this grave discontent might find an outlet in a revolution. The Ambassador referred also to the difference in the leaders of Japan now from what they were in the early part of the century. At that time, there were great men like Ito, Inouye, and others that he mentioned; now they were all mediocre with minds not going beyond that of a military officer. He did not, therefore, look to Japan to succeed.

H[ENRY] L. S[TIMSON]

793.94/4696a : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 10, 1932—7 p.m.

42. At the press conference this morning the question was asked, presumably on the basis of newspaper reports, whether the United States was planning to take the 31st infantry out of Shanghai and the answer was made that we have no present intention of withdrawing the 31st infantry and that the question of withdrawal is not under consideration.

You may so inform inquirers.

For your confidential information and guidance, in case such reports are brought to your attention and questions are asked by responsible persons: some discussion of such a possible move appears to have been indulged in by some American authorities in the Far East.

STIMSON

793.94/4688 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 10, 1932—10 p.m.
[Received March 10—6:33 p.m.]

70. Supplementing my 69, March 10, 6 p.m.,[82] apparently reference to the Kellogg Pact was omitted in the final paragraph of part I of the text of the resolution for the reason that the point was raised that certain members of the League of Nations were not signatories to the Kellogg Pact. However, this question is being agitated tonight and discussion is taking place as to whether it will not be possible to insert a final phrase reading somewhat as follows:

"or in so far as concerns signatories of the Pact of Paris by means contrary to that Pact".

WILSON

761.94/485

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

No. 520 TOKYO, March 10, 1932.
[Received March 26.]

SIR: I have the honor to submit a few comments supplementing my despatch on the subject of Soviet-Japanese relations as affected by the disturbances in Manchuria (Despatch No. 410 of December 5, 1931[83]). The tension which I remarked in that despatch is still apparent, although the situation which causes it has changed to some extent. I may say in beginning that definite information on this subject is difficult to obtain, and because of the constant rumors and stories, an accurate picture of the situation is hard to draw.

As I reported in my previous despatch, there has been considerable uneasiness among Soviet leaders on account of Japanese military activities in Manchuria near the Soviet border. Added to this is a feeling of apprehension caused by Japanese assistance in the formation of the new Manchurian state with the consequent extension of "imperialistic" influence presumably antipathetic to the Soviets. Some tension might be expected in any nation at the near borders of which military activities were being carried out. In the present case there are further causes: Japanese troops have occupied Chinese territory within a few hours by rail from Vladivostok in a region that has long been con-

[82] Not printed; it transmitted text of draft Assembly resolution. For text as adopted March 11, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 210.
[83] Not printed.

sidered a Soviet "sphere of influence"; Japan has demanded and used the Chinese Eastern Railway for transportation of troops despite treaty provisions which would seem to prevent; Japanese have been suspected of supporting White intrigues against Soviet Russia; Japanese troops have been reported as massing on the Korean-Soviet border contrary to the provisions of Article II of the Portsmouth Treaty (I shall discuss these points later). Moreover, the Japanese plan of extension of the Changchun-Kirin railway to the Korean coast constitutes a direct threat to the commerce of the port of Vladivostok, and promises competition to the Chinese Eastern Railway.

There is plenty of evidence of this apprehension on the part of the Soviets. Reports of utterances of Soviet leaders in Russia, which I shall touch on below, indicate the state of mind in that country. On the other hand, there has been in Japan very little comment, official or otherwise, on the relations between the two countries. There have been, it is true, newspaper reports of massing of Soviet troops in the Maritime Provinces and near Manchuli, but comparatively little notice seems to be paid to these reports. The Japanese Army has long considered Soviet Russia as a potential enemy and apparently regards that country with a mixture of apprehension and disdain. The reported strength of the Soviet Army has long been held up before the Japanese public by the Army to justify its own expenditures. Japan has never forgotten, as I am often reminded by Japanese friends, the action of Russia in 1898 in seizing Kwantung Peninsula after Japan had been forced to relinquish her war-won claims there in 1896 [*1895*].

With the attitude of the two countries in mind, I shall endeavor to comment on recent happenings. The chief fear on the part of Soviet Russia seems to be that the Eastern provinces will be wrested from the Union. More concretely, the fear seems to be that White Russians, supported by Japan, will attempt to duplicate in the Eastern Provinces of the Union what has recently been done in Manchuria.

On January 30, Mr. Molotov, Chairman of the Council of People's Commissars, is reported to have stated in an address: "The Russian White guards in Manchuria . . . [84] are openly building plans to break the Far East away from the U. S. S. R. and create with foreign aid a buffer state . . . [84] We are completely occupied in peaceful construction and are doing everything possible to prevent new imperialistic attacks on the Socialistic Republic". Mr. Litvinov at Geneva is quoted as stating in a speech on February 11: "Present events in the Far East which have evoked universal alarm, cannot but cause special anxiety to the Soviet Union, owing to its geographical nearness to the theatre of these events, where huge armies are operating and where anti-Soviet

[84] Omission indicated in original despatch.

Russian *émigrés* are mobilizing their forces". A manifesto signed by Defence Commissar Voroshilov and issued on the 14th anniversary of the organization of the Red Army, stated: "In the East and West they are laying plans for intervention, preparing public opinion and organizing bands of Russian White guardists for an attack against the Soviet. The White guards, with the support of certain groups of Imperialists, are openly planning to seize the territory of the U.S.S.R. in the Far East". A United Press despatch from Moscow, dated February 25, states: "The official Tass agency is understood to profess complete confidence in the accuracy of the report (of the formation of a White Russian army in Mukden province under Japanese direction for the purpose of attacking the Maritime Provinces of the Soviet Union) . . . [85] Both Soviet and Japanese representatives here (Moscow) have recently indicated to the United Press representative that the Russian *émigrés* constitute the chief menace of war in Manchuria between the Soviet Union and Japan". The same news agency reports (March 4) a leading article in *Izvestia* which quotes from documents supposed to have been written by Japanese of authority urging an early attack upon Soviet Russia. The article declares that the Soviet Government regards the danger as serious, and cites other developments to justify military vigilance, especially the "symptomatic significance of the fact that Japan two months ago did not consider it necessary to reply to a proposal for a pact of non-aggression with the Soviets". Also mentioned are the intrigues of the White Russian *émigrés* in Manchuria which are stated to be on the increase since Japanese occupation has extended.

These quotations are sufficient to indicate the Soviet feeling toward Japan at present. How much this attitude is justifiable by fact is extremely difficult to ascertain. Soviet leaders seem frequently to be conjuring up bogies of imperialistic intrigues and intervention, and it would probably be a mistake to take their utterances too seriously. There seems, however, to be some evidence that the Japanese military have taken steps to organize White Russian troops, for use either by the new Manchurian government, or in guarding railway lines, but in the absence of definite information I hesitate to do more than make mention of this report. If the Japanese military had any intention of making an attack on the Soviet Far East, they would undoubtedly find useful a nucleus of organized White troops around which the many Russians of white sympathy could rally.

In connection with this report, Mr. Karakhan, on February 24, demanded of the Japanese Ambassador in Moscow an explanation of certain developments in Manchuria, according to the United Press.

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[85] Omission indicated in original despatch.

One question, of four proposed, was in regard to the increased activities of *émigré* Russians in Manchuria against the Soviets, "under the protection and direct support of the Japanese". The reply of the Foreign Office, transmitted through Mr. Hirota, the Japanese Ambassador, a few days later, stated that there was no truth in the report of assistance by the Japanese Army to the White Russians, and that the Japanese Army was doing all it could to curtail their activities and was ready to suppress any political steps they might take. (I shall refer later to the remaining three questions proposed by Mr. Karakhan).

A second source of anxiety to Soviet leaders is the occupation of Manchuria by Japanese troops and the significance of the organization of the new Manchurian state. The formation of the new state in Manchuria has an element of threat to the Soviets. In case the White Russians in Manchuria participate in the formation of the new government and form a part of it, the new state may be expected to have an anti-Soviet bias.

In Mr. Karakhan's questioning, above referred to, a demand was made for "information about the newly established government in Manchuria and its nature". The reply of the Japanese Government, made a few days later, is highly diverting. It was stated that "the Japanese Government has no connection with it (the Manchurian state) and knows little about it. However, when full details of the new constitution and the organization of the government are learned they will be transmitted". This bit of apparently diplomatic casuistry has not called forth any further requests for information from the Soviets.

As I reported in my previous despatch, above referred to, the Soviet government has been forebearing—remarkably so—in regard to Japanese military activities in regions of great strategic interest to Russia. Japanese troops have penetrated as far north as Tsitsihar, Harbin and Imienpo, with scarcely more reaction from the Soviets than the issuing of a warning to abstain from injuring Soviet interests and property. More recently the Soviet government granted permission for the transportation of Japanese troops from Changchun to Harbin, and from Harbin to Imienpo over the Chinese Eastern Railway, although technically a refusal might have been made under provisions of the Portsmouth Treaty. On the 14th anniversary of the Red Army the *Pravda* stated, according to the United Press: ["]The actual war between China and Japan and Japanese capture of the chief centers in Manchuria, would have been quite a sufficient ground for Tzarist Russia to interfere in the war. The Soviet government, on the contrary, proposed to Japan to conclude a pact of non-aggression. No provocation will divert Soviet Russia from her firm and invariable policy of

644591—48——42

peace". I believe, as I pointed out in my previous despatch, that the Japanese Government has been pleasurably surprised by this absence of opposition on the part of Russia to Japanese activities. Such opposition would certainly have rendered the problem of the subjugation of northern Manchuria infinitely more complicated.

Nevertheless, the Soviets have not viewed with favor the Japanese conquest. In the first place they foresee the loss of the Chinese Eastern Railway. In an interview with a United Press correspondent at Harbin, Mr. Rudy, Soviet General Manager of the Chinese Eastern Railway, stated that Japan's domination of Manchuria suggests that in coming years the Japanese will tolerate no strong foreign economic influence there, such as that which the Chinese Eastern Railway affords the Soviets. Moreover, in his opinion the competition of the Kirin-Seishin Railway, certain to be accomplished shortly under Japanese rule, will deprive the port of Vladivostok of much trade and is destined to make the Chinese Eastern Railway an unprofitable enterprise. He stated that although the Japanese military had been careful to avoid damaging Chinese Eastern Railway property, leading some observers to believe that Japan intends to let Soviet railway interests alone, he understood from certain sources that the Japanese would soon attempt to install in the Chinese Eastern Railway board of directors a group of Chinese officials who are subservient to Japan's wishes. If this is true, he stated, it would mean the extension of Japanese influence to the single remaining railway in Manchuria over which they have now no control.

I may at this point mention the remaining two questions raised by Mr. Karakhan, both of which affect the Chinese Eastern Railway. On or about February 24, the Japanese Military, acting apparently without instruction from Tokyo, requested permission of the Soviet director of the Chinese Eastern Railway to transport Japanese troops over the eastern line to points where Japanese interests were reported threatened by Chinese soldiers. At the same time the Army seems to have asked for reduced fares on the railway for Japanese soldiers. Permission to transport troops from Changchun to Harbin had previously, in January, been granted. As the later request for permission involved sending troops as far as Pogranichnaya, near the Soviet border, it seemed to raise a problem beyond the competence of the Soviet officials of the Chinese Eastern Railway, and the matter was referred to Moscow. Mr. Karakhan then called upon the Japanese Ambassador for an explanation for these requests, pointing out that under Article VII of the Portsmouth Treaty "Japan and Russia engaged to exploit their respective railways in Manchuria exclusively

for commercial and industrial purposes and in no wise for strategic purposes".

In his reply, the Japanese Ambassador disclaimed intention of sending troops further than Imienpo, or possibly Hailin, and stated that no question of the use of the Chinese Eastern Railway for strategic purposes would arise as the Japanese action was purely for "self defence". Furthermore, he disclaimed any knowledge of the request of the military authorities for reduced fares for Japanese troops. This statement seems to have satisfied Mr. Karakhan, for on February 28 the permission was granted.

On this occasion Mr. Karakhan took the opportunity to call attention to the reported concentration of Japanese troops on the Korean side of the Soviet border, which would be in violation of Article II of the Portsmouth Treaty. This charge was refuted, according to the press on March 9, by the Japanese Ambassador who stated that no additional Japanese troops were being massed on the border. Incidentally, he is reported to have remarked that the Japanese had no intention of engaging the Russian forces, to which Mr. Karakhan replied that Japan's intentions were subject to various interpretations. Apparently diplomatic conversations at Moscow are carried on with a minimum of finesse.

The local press reports that on March 3rd, the Foreign Office stated that it knew nothing about the alleged troop concentration on the Korean border. Lacking any reliable source of information I have been unable to learn whether there is any truth in the Soviet allegation. The Japanese are said to be building extensive port improvements at Seishin and are very likely adding to the fortifications of the town. Possibly engineering contingents have been despatched recently to that region in connection with the plan for the extension of the railway to Kirin, but this is purely conjectural.

I have, thus far, dealt largely with the Soviet viewpoint in Russo-Japanese relations. There remains to be mentioned Japanese apprehensions of Soviet activities, which have been aroused recently by reports of warlike activities in Soviet territory. The press reported on March 1st that the Foreign Office had received a report from the Japanese Consul General in Vladivostok that he had been reliably informed that 100,000 troops had been concentrated in the Maritime Provinces. The report stated that Vladivostok was being heavily fortified and that munitions and supplies were being collected. One member of my staff who inquired at the Foreign Office was informed that new troops had undoubtedly been moved into the Maritime Provinces, but that the number was not excessive and that the Foreign Office attached no particular significance to the movement. The official

of the Foreign Office stated that the total number of Soviet troops east of Lake Baikal last autumn was estimated to be 60,000, but had now been increased to approximately 70,000. Another member of my staff was informed at the War Ministry that at least 100,000 troops had been concentrated in the Maritime Provinces alone. This figure contrasts with the 30,000 troops Japan now maintains in Manchuria.

I do not think that the Japanese are very much perturbed by these rumors of warlike preparations. They have seen demonstrated unmistakably the conciliatory attitude of the Soviets and are not inclined to consider as a threat what seems to be a mere strengthening of the Soviet frontier garrisons to provide against a possible emergency.

I am at a loss to explain the absence of editorial comment on Soviet-Japanese relations in recent weeks, in view of the usual readiness of the Japanese press to play up any alleged threat from the north. Perhaps, as I suggested in my previous despatch on this subject, the Japanese Government has impressed on the local newspapers the importance of avoiding antagonizing the Soviets during the present crisis in China.

In any event the relations between the two countries at present are somewhat tense but not actively unfriendly. This tenseness is not particularly notable, because it is somewhat chronic. I may repeat my conclusion made in my last despatch: "I have reason to believe that both sides are sincere in wishing to avoid complications, and will not willingly be led into an embroilment which would prejudice the success of their own undertakings and interests". The Japanese would have much to lose by picking a quarrel with Russia at the present juncture when their resources and energies are being expended in the embroglio in China. On the other hand, the Soviets have taken every precaution against being involved in the conflict among their neighbors, have avoided taking steps to oppose or check Japan's military actions in North Manchuria, and have maintained, in the face of some provocation, a strictly neutral attitude.

In concluding, I should mention that so far as I am aware no further action has been taken by the Japanese Government in regard to the non-aggression pact proposed by the Soviet Government. The Soviet Ambassador has called at the Foreign Office several times recently in this connection, but I learn that he has been informed that the matter is still receiving the "careful consideration of the Japanese Government". I do not believe that the Japanese Government has any immediate intention of concluding such a treaty. The Japanese seem to feel that they would not be justified in entering into any new commitments until conditions in the Far East are on a more settled basis.

Respectfully yours, W. Cameron Forbes

793.94/4693 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 11, 1932—9 a.m.
[Received 9:10 a.m.]

113. The Secretary General has circulated the following communication received from the Chinese delegation:

"For the information of the Assembly I have the honor to communicate to you the following telegram dated March 9th which I have just received from the Honorable Mr. T. V. Soong, Vice President of the Council of Ministers and concurrently Minister of Finance.

Inspector General F. W. Maze reported receipt of the following telegrams dated March 8th from R. M. Talbot, Commissioner of Customs at Antung, Manchuria:

(1) 'The Japanese Consul privately informs me to be prepared for request from the Superintendent to hand over possibly at once'.

(2) 'The Superintendent received instructions from the Northeast Administrative Committee that the customs be under its control; that the Superintendent carry on; and that a certain Japanese has been "invited to be adviser of your office". When there is any question you are to consult with him how to carry on'.

Two other Japanese appointees have arrived to assist in taking over but no indication as yet how the new customs is to be staffed. The Consul says the present customs employees have the option of joining up but the old salaries, et cetera, will not be paid.

In submitting the above I have the honor to state that my Government will not for a moment countenance the usurpation or [*of?*] its administrative powers by the so-called Northeast Administrative Committee at the instigation of the Japanese authorities for the taking over of such customs revenues cannot but disrupt the services of domestic and foreign loans secured thereon. W. W. Yen."

GILBERT

393.115 Radio Corporation of America/18 : Telegram

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

SHANGHAI, March 11, 1932—11 a.m.
[Received March 11—2:40 a.m.]

179. Department's telegram No. 69, March 3, 10 a.m., regarding radio station. Withdrawal of Chinese forces has left radio station well within Japanese military lines. I understand chief question now is repair of power lines and connections with radio central office in Settlement. On March 5th and March 7th at request of Shecklen I made representations to Japanese Consul General asking that facilities be accorded to enable these repairs to be made as rapidly as possible.

Shecklen informs me that Japanese are granting such facilities for repair work as could reasonably be expected under the circumstances. He is keeping Radio Corporation fully informed.

Not repeated to the Legation. Copy to the Minister.

CUNNINGHAM

693.002 Manchuria/3 : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, March 11, 1932—1 p.m.

88. 1. Minister Johnson telegraphs from Shanghai under date of March 10,[86] that he has been informed by the Inspector General of Customs that the latter has received a telegram from Antung, Manchuria, to the effect that the superintendent there had received instructions from the Northeast Administrative Committee that customs are to be under its control and that the superintendent is to carry on but with a Japanese adviser. In commenting on the foregoing, the Inspector General informed Johnson that the new Manchurian government apparently intends to assume full control of Manchurian customs, that no mention was made of loan services secured on maritime customs revenue and that the new system presumably has approval of the Japanese authorities as it is being introduced with Japanese assistance.

Please call at the Foreign Office and ascertain (*a*) whether they have similar information and (*b*) whether in the event of such attempts being made, they would be willing to join in concurrent action in the form of objections and reservations to be filed simultaneously by the British and American representatives at Tokyo and Nanking and by their consular offices in Manchuria.

Please indicate to the Foreign Office that such objections and reservations appear to this Government to be quite in line with the provisions of the draft of the resolution which is pending before the Assembly in relation to the question of non-recognition and which we understand is favored by Sir John Simon at Geneva. Please also state that in addition the action proposed appears to follow logically from Article 2 of the Nine-Power Treaty of February 6, 1922, reading as follows:

"Article 2. The contracting powers agree not to enter into any treaty, agreement, arrangement, or understanding, either with one another, or, individually or collectively, with any power or powers, which would infringe or impair the principles stated in Article 1."

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[86] Telegram not printed.

In our opinion this Covenant would forbid the Japanese to institute or instigate an independent customs administration in Manchuria and would forbid us or any of the other fourteen signatories of the Treaty from recognizing either of such services if instituted.

2. Telegraph reply.

3. I am repeating this to Wilson at Geneva for communication to Sir John Simon. You may so inform the Foreign Office.

STIMSON

793.94/4689 : Telegram

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

SHANGHAI, March 11, 1932—2 p.m.
[Received March 11—8:35 a.m.]

My March 10, 4 p.m. Japanese Minister this morning handed the British Minister the following letter dated March 10th which Sir Miles in turn handed to the Chinese Vice Minister for Foreign Affairs.

"I am in receipt of your note of today's date together with its enclosure, a copy of a statement from Mr. Kuo Tai-chih expressing preparedness to enter into negotiations with us.

I should very much like to have our representatives meet you and other colleagues and the Chinese representatives at your office tomorrow as suggested. But I regret to say that as the Chinese have now brought forth, as the basis of negotiations, conditions which I understand were not embodied in the resolution of the Assembly of the League of Nations, I am unable to do so, unless I feel myself sure as to the exact meaning of these conditions. One refers to a reservation made by Dr. W. W. Yen, I wonder what that 'no condition' exactly means. I am wiring to Geneva to enquire about its meaning and as to how that ex parte reservation was treated.

Another refers to the wording 'complete withdrawal'. Would you not be kind enough to make enquiry with the Chinese if they attach some particular meaning to the word 'complete', this word is not found in the resolution.

In the meanwhile, I wish to assure you, and through you the Chinese side, that we have been confining our stand within the wording of the League resolution, no more no less."

JOHNSON

793.94/4695 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 11, 1932—2 p.m.
[Received March 11—10:05 a.m.]

71. Gilbert is reporting events of this morning's session of the

General Commission of the Assembly (see his 116, March 11, 2 p.m.[87]).

After sending my telegram No. 70, March 10, 10 p.m., our advice was repeatedly sought on the question of inserting in the final paragraph of part I of the resolution a reference to the Pact of Paris. We took the position that the inclusion of such a reference in the forcible portion of the resolution could not fail to call attention to the reasons for cooperation between the members of the League and the United States as well as providing in the future a common ground on which we might act.

Early this morning Simon asked me to call and spoke of the matter. I took the same line with him which he declared was entirely in accordance with his own thoughts and said he would raise the question in the open meeting. You will see from Gilbert's report that he did this effectively and that the words "or contrary to the Pact of Paris" were inserted at the end of the final paragraph of part I.

Confidentially I learn that Sato has received instructions to abstain from voting on the resolution at this afternoon's meeting and to explain the reasons therefor.

WILSON

793.94/4686 : Telegram

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

PEIPING, March 11, 1932—3 p.m.
[Received March 11—5:20 a.m.]

328. Following from American Consul General at Mukden:

"March 11, 5 p.m. [*sic*] Mounted bandits estimated at 500 again attacked Mukden early today but were repulsed with a loss of two killed. A number of policemen were reported disarmed. Although there is much uneasiness among the native populace due to the advancing of bandits in the vicinity, no apprehension is felt for foreigners.

A large reception in celebration of the establishment of the new state was held at noon today at the Governor's palace which was attended by about 1,000 persons, the majority being Japanese. The Commanding General of the Japanese [forces?] was the only Japanese speaker."

For the Minister:
PERKINS

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[87] Not printed. For minutes of meeting, see League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 80–85.

793.94/4696 : Telegram

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

SHANGHAI, March 11, 1932—5 p.m.
[Received March 11—10 a.m.]

181. In continuation of my 174, March 9, 4 p.m., I desire to advise the Department that Fessenden called to discuss the sanitation of extra-Settlement areas now in the control of the Japanese Chargé d'Affaires [*authorities?*] and I invited Consul General Brenan to participate. It was learned that the Shanghai Municipal Council had a very extensive report from the chief medical officer of the Council regarding conditions existing in the districts to the east of the railway beyond the Settlement limits and a general report in regard to Chapei. The most insanitary part is that part east of Saygin Creek. Thereupon the consular body meeting was convened of the consular representatives concerned to the end that Fessenden might make a statement to the entire consular body. At the meeting at 2 o'clock Fessenden stated that the Council felt that it alone possessed the organization and equipment to cope immediately with the menace and accordingly Fessenden and the Chairman of the Council had called on Mayor Wu of the Shanghai municipality that morning and represented the hygienic dangers of the situation to him, and expressed the desire of the Council to remove, through the Shanghai Municipal Council, public health and public works departments, the threat in the Chapei districts to public health in the Shanghai areas and asked the Mayor if he had any objection to the Council undertaking this work at once. The Mayor replied that he agreed in principle, but wanted us informed in detail concerning the proposed work, in pursuance of which he suggested that his Commissioner of Public Health call on the Shanghai municipal authorities 3 p.m.; this visit was agreed to. The work would be done entirely at the expense of the Council. The Council understood the Japanese authorities would not oppose the work (Consul General Murai confirmed this statement on the proviso that he was first informed when and where the Council proposed to enter on its sanitary activities in Chapei) and if the consent of those concerned could be obtained the Council proposed to commence operations on March 13th or 14th. The Council's representative had also told the Mayor that the Council was willing to turn this sanitary work in Chapei over to the local authorities immediately those authorities announced they were in a position to undertake it. He stated that the Council realized that in carrying out health measures in Chapei it was, strictly speaking, going outside its province, but it felt its action

was justified in the interest of public health of all the Shanghai areas. Accordingly the Council wanted the consular body to support it in its action, or at least to say that it did not disapprove of its projected course. The Council expected to exchange official written communications with the Mayor on the subject of its proposed sanitary work in Chapei, which communications would be made available to the consular body. Fessenden in reply to inquiries stated that the Council intended to confine its work to sanitation and that it was to be done on behalf of the Chinese administration but at no expense to it. The consular body unanimously stated that it would seem that the Shanghai Municipal Council should be commended for the proposal since its limitations were so definite as stated by Fessenden.

Repeated to Legation and Minister.

CUNNINGHAM

793.94/4773

Memorandum by the Secretary of State

[WASHINGTON,] March 11, 1932.

The Italian Ambassador came and read to me a memorandum from Rome setting forth Signor Grandi's impression of my letter to Senator Borah. He said this was in answer to my recent inquiry. The cable is as follows:

"The considerations expressed by Mr. Stimson in his letter to Senator Borah were examined by Signor Grandi with the greatest appreciation and sympathy. Mr. Stimson has certainly pointed out the attitude which we have followed up to now with the purpose of preventing the prolongation and aggravation of the conflict between China and Japan from endangering the result of the Washington agreements. Signor Grandi agrees with Mr. Stimson in his serious preoccupation concerning the efficacy of the attempts which are going on for the solution of this problem. Up to now it does not seem that a common front of the great powers has been attained. Only this unity amongst the great powers could bring a pacification in the Far East. Those rumors circulating about the existence of secret agreements between France and Japan and of renewed sympathies from England toward Japan have up to now hampered the efficacy of the action developed by the great powers in Tokyo and in Nanking.

"I equally agree with the thought of Mr. Stimson that a methodical and pacific evolution of China for her political and economical restoration demands a certain time. On the other side, the state of anarchy and disorder that prevails in China should not leave the great powers which have major interests in China indifferent. This state of anarchy offers a favorable opportunity for the diffusion of Russian influence and the Bolshevik menace, with the result that there might arise also the possibility of a formation in China of a situation of privilege in

favor of Russia—a privilege in contradiction to the principle of an equal opportunity which has been a cornerstone of the Treaty of Washington."

The Ambassador pointed out that this was personal and confidential for me. I then told him that I would give him a memorandum which would be personal and confidential for Signor Grandi. The following is the memorandum I handed him:

"I have received the ideas of Signor Grandi with a deep appreciation of the spirit and purpose for which they were given. I am deeply gratified that Signor Grandi has expressed his sympathy with the same objectives with which I wrote the letter to Mr. Borah.

"In respect to the dangers which Signor Grandi apprehends might come from the anarchy in China, let me say that I have also carefully followed and considered that situation, and I make the following suggestions:

"China is the most individualistic nation in the world. It therefore has naturally the least possible sympathy with the doctrines of Communism, and in spite of the efforts of some six years ago made by the Russian Communist Party in China, the trend of events in China was proceeding in the direction of eliminating Communism until these recent difficulties with Japan. The present occupation in China by Japanese troops, however, has renewed the danger of anarchy in China, but in my opinion the best method of preventing such dangers, including any danger of Communism, is by assuring China that the other powers of the world will do their best to assure to her the opportunities for peaceful development which were provided for in the Nine Power Treaty.

"I have heard many rumors and suggestions of the danger of Communism in China today but I have found that they nearly all came from Japanese sources."

H[ENRY] L. S[TIMSON]

793.94/4710 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 11, 1932—7 p.m.
[Received March 11—3:35 p.m.]

72. In a conversation this morning with Sir John Simon he declared that he was anxious that you should understand the efforts he had been making to harmonize his action in the Assembly with your views. This he added had in some cases not been easy as he had been attacked from different parties in England for his procedure but had kept in front of him the guiding principle of the necessity of complete unity in policy between the United States and Great Britain. I gathered the impression that he would be greatly reassured and would feel his

position strengthened at home if any recognition of his action could be expressed by the American Government.

He is leaving tonight for Paris and reaches London, Sunday;[88] he will be available by telephone between 9 and 10 p.m., London time, Sunday night, at the residence of the Prime Minister or, of course, telegrams could reach him Sunday in London.

We all feel that part I of this resolution was largely due to his insistence based on his desire to cooperate with you and that if you felt it expedient to send him a word of recognition[89] it would be appreciatively received.

WILSON

793.94/4704 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 11, 1932—8 p.m.
[Received March 11—2:30 p.m.]

73. Assembly passed resolution[90] unchanged from text reported in Gilbert's 116, March 11, 2 p.m.[91]

Drummond handed me at once letter of which text follows:

"I beg to enclose herewith for the information of your Government the text of a resolution relative to the Sino-Japanese dispute which was adopted this afternoon by the Assembly of the League of Nations.

In view of the collaboration which has on several occasions in the course of recent events been effected between the Government of the United States and the governments of other powers having special interests in the Shanghai Settlement, perhaps you will allow me to draw your particular attention to part II of the Assembly resolution in which the Assembly addresses a request to the powers members of the League of Nations which have such special interests."

In giving me this letter he explained that it seemed more tactful not to ask for an answer from the American Government but merely to draw attention to part II of the resolution, but that of course if you cared to give an answer it would complete the record of cooperation which has been maintained throughout this negotiation.

WILSON

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[88] March 13.
[89] See telegram No. 90, March 12, 2 p.m., to the Chargé in Great Britain, p. 577.
[90] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 210.
[91] Not printed.

793.94/4696½

Memorandum of Trans-Atlantic Telephone Conversation[92]

MR. WILSON: Hello, Mr. Secretary.

SECRETARY: Hello, Wilson. I have just gotten your resolution and have read it and it seems to be a very good one. I am very much gratified over it. I shall communicate with Simon as you suggested in one of your cables.

MR. WILSON: Yes, I understand, Mr. Secretary. Have you got the telegram in which I sent Drummond's letter?

SECRETARY: Yes, I have that.

MR. WILSON: We prepared a tentative offer to submit for your approval.

SECRETARY: Wait a minute. First, I want to know what is the right language in the last line of that letter. The words read "in which the Assembly addresses a request to the powers members of the League of Nations which have such special interests." Is that right?

MR. WILSON: Yes, Sir.

SECRETARY: That does not include the United States.

MR. WILSON: No, it does not because they did not want to put us in a resolution of the League.

SECRETARY: I ask that question simply because a newspaper report had put in the word "and" between "powers" and "members". The newspapers included us.

MR. WILSON: That is a mistake.

SECRETARY: Yes, I see, so that this letter of Drummond does not, and the resolution in it on terms does not, demand an answer.

MR. WILSON: No, Sir. It does not, Mr. Secretary, but this evening, in addition to what Drummond said, Simon said he hoped we could see our way to make an answer if possible.

SECRETARY: What kind of an answer have they in mind?

MR. WILSON: We had in mind something like this:

"With reference to your letter of today's date in which you were good enough to transmit to me a copy of the resolution adopted in the Assembly this afternoon and in which you invite the attention of my Government, particularly of part two thereof, you will recall that my Government, as I informed you on March 5, is cooperating with the other powers under the resolution of March 4th, and is now instructing its representatives in Shanghai to cooperate if necessary in the sense of today's resolution."

SECRETARY: Now, what would that mean?

MR. WILSON: It means that if they find it necessary in negotiating

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[92] Between Mr. Stimson in Washington and Mr. Wilson in Geneva, March 11, 1932, 4:45 p.m.

on the spot to utilize neutral forces to protect the withdrawal of the Japanese forces, we are willing to cooperate.

SECRETARY: I would like to think that over. I want to know what the situation is. You realize that the people on the spot so far, not only our military people, but some of the others, have rather advised against that.

MR. WILSON: No, I did not realize that.

SECRETARY: So I think it better be thought over a little more. We had better not hurry. We will continue our cooperation, but I would rather not pledge specifically that action right now.

MR. WILSON: Mr. Secretary, we thought of another paragraph which I might read to you to complete the note.

"My Government is gratified that the nations of the world are now united on a policy of non-recognition of the validity of the results of acts of force in violation of treaties. This is a distinct contribution to international law and a constructive basis for peace."

SECRETARY: Yes. Have you anything further?

MR. WILSON: No, that is the end. If you will think the thing over perhaps you could send me a telegram after considering it.

SECRETARY: They seem to be in a great deal of a hurry. You see I have just received these papers and I have been a little more out of it than you have.

MR. WILSON: Yes, of course, I understand.

SECRETARY: We will cooperate, of course, and the only question is the exact method of cooperation in respect to that one problem of the policing of that zone. Have you any assurance that the Japanese are going to withdraw so that there won't be any zone?

MR. WILSON: There was a statement made by Sato that the Army had received already orders to withdraw to certain geographical positions. I can't give you the names of these geographical positions.

SECRETARY: Have you any assurance as to the attitude of the Chinese in respect to that zone?

MR. WILSON: No, Sir.

SECRETARY: I mean we would have to be careful in assuming any position which might be resented by the Chinese connected with negotiations on the spot.

MR. WILSON: Mr. Secretary, I have talked with Yen and he seemed to understand that there would have to be some form of neutral protection for the retreating of Japanese forces.

SECRETARY: Yes, I think that is so, but don't you see I don't want to make any commitment as to what we would do—what form of protection we would agree to share in until I know more about what is going to be the problem.

MR. WILSON: I will take no action until I receive instructions from you as to what form of letter to send.

SECRETARY: Yes. Now, Wilson, you may assure them, generally and verbally, of our cooperation and of our gratification of what has been done.

MR. WILSON: Yes, I will do that.

SECRETARY: And we will probably make some public statement here of our gratification.

MR. WILSON: If you make such a public statement, could you send me a copy to transmit to Drummond?

SECRETARY: Yes, but I think there are a number of steps we must take here and we must have time for a little consultation so that I don't want to do this in a hurry.

MR. WILSON: May I bring up one further thought in connection with the use of troops to protect the retreat. That would be according to the decisions of the negotiations in Shanghai and, of course, if our Minister vetoed it our troops would not be used.

SECRETARY: Not necessarily, he would not have a complete veto on our decision here in Washington, but we should consider very carefully his recommendation and the others will probably feel the same way, Wilson. I mean the British, French and the Italians. In other words, I think that we must wait until those people there have reached some recommendation on those subjects. At present we do not know for sure that the Japanese are going to withdraw; we do not know for sure what the Chinese are going to do and I see no way for us to receive assurance except from the conference of the Ministers in Shanghai. I do not think that you can rely too implicitly upon what Yen tells you on that subject about the attitude of the Chinese Government.

MR. WILSON: I agree. Yen has no instructions yet.

SECRETARY: I feel equally certain that you cannot rely too implicitly upon what Sato says on the attitude of the Japanese Government or rather the Japanese Commanders, so I think that those subjects will have to wait until they are discussed at Shanghai.

MR. WILSON: All right, I understand.

[Here follows discussion on a different subject.]

SECRETARY: Let me ask you one thing more. When do you think that Drummond wants a reply to this letter? We must think it over and take time.

MR. WILSON: You must think it over and take your time but we want it fairly soon on account of the press.

SECRETARY: If I send it tonight or tomorrow it will be all right, won't it?

MR. WILSON: Yes, Sir. Thank you very much. I guess that is all then.

SECRETARY: Goodnight.

793.94/4645 : Telegram

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

WASHINGTON, March 11, 1932—5 p.m.

92. For the Minister. Reference Shanghai's 175 March 9, 5 p.m. and Department's 86 March 9, 5 p.m.

Department is informed now by Navy Department that Admiral Taylor recommends that March 18th be set for departure 31st infantry and states that you agree.

I have conferred with the Navy Department and the War Department. This Government sent Admiral Taylor with naval reenforcements and the 31st infantry to Shanghai on the basis of its views of the situation. In our action in relation to that situation, we have been endeavoring to cooperate with other powers, in connection both with the common problem of defense and also with certain common diplomatic objectives. In reference to both, it is our belief that the moment for withdrawal or reduction of our forces has not yet arrived and that no action of that sort should be taken without our first having consulted with the other most interested powers. It is therefore desired that (*a*) any recommendations which any American authorities in China may desire to make in relation to this subject be communicated confidentially through the American Minister for the consideration here of the three Departments concerned and that (*b*) there shall not be initiated by American authorities at Shanghai any discussion of the subject with authorities of other countries unless and until this Government so instructs.

Please inform Cunningham and the Commander in Chief.

STIMSON

793.94/4713a : Telegram

The Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, March 11, 1932—6 p.m.

44. I have given out to the press the following statement in regard to the resolution of the Assembly:

"The nations of the League at Geneva have united in a common attitude and purpose towards the perilous disturbances in the Far East. The action of the Assembly expresses the purpose for peace which is found both in the Pact of Paris and the Covenant of the League of Nations. In this expression all the nations of the world can speak with the same voice. This action will go far toward developing into terms of international law the principles of order and justice which underlie those treaties and the Government of the United States has been glad to cooperate earnestly in this effort."

I should be glad if you would inform Drummond.

I shall send you in the morning draft of a reply to Drummond's letter.

STIMSON

793.94/4709 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 11, 1932—9 p.m.
[Received March 11—8:18 p.m.]

117. Consulate's 116, March 11, 2 p.m.[93] The consideration of the Sino-Japanese question was continued this afternoon at 5 o'clock in a meeting of the General Commission of the Assembly and in a meeting of the Assembly. The chief features are as follows:

General Commission.
(*a*) Statement by Sato.
(*b*) Discussion of draft resolution by Sato.
(*c*) Adoption of draft resolution.

Assembly.
(*a*) Adoption of resolution.
(*b*) Statement by Yen.
(*c*) Election of Committee of 19.
(*d*) Future program.

General Commission.

(*a*) Sato took the floor first to make an announcement concerning the action taken by his Government pursuant to the Assembly's resolution of March 4 relating to the cessation of hostilities. After reasserting the acceptance by Japan of this resolution he explained that the delay in beginning the negotiations had been due to the lack of word from the Chinese authorities regarding their acceptance. He added that now, since the Japanese Government had been informed through Lampson of the intention of the Chinese to enter into negotiations, the latter would begin as soon as detailed instructions had

[93] Not printed.

been received by the Japanese authorities at Shanghai. He then made the following statement.

"My Government authorizes me to declare that the Japanese forces will withdraw from their present positions and retire, to begin with, to the neighborhood of Shanghai and Woosung when the cessation of hostilities is finally assured in accordance with paragraph 1 of the resolution, and when, as regards the arrangement provided for in paragraph 2, appropriate measures have been decided upon to prevent the advance or the taking of offensive measures by the Chinese forces and to ensure the supervision of the zone evacuated by the Japanese forces; our forces thus brought back will reembark as quiet is restored. Our authorities on the spot have already received general instructions in that connection and we therefore entertain good hopes of rapid progress towards a settlement of the situation."

(*b*) On the invitation of the President, Sato then set forth his Government's position on the draft resolution under consideration. He began by stating that the Japanese Government is entirely in agreement with the fundamental principles set forth in the resolution and reaffirmed its intention to be guided in its conduct by those principles. He asserted that Japan had faithfully observed the provisions of the Covenant and the Pact of Paris. He reaffirmed that Japan does not seek to encroach upon the political independence and existing territorial integrity of China.

He stated that the Japanese Government was particularly happy to note that the principle of a scrupulous respect for treaties appears at the very beginning of the resolution and went on to reassert the position taken by Japan during the past months regarding the failure of China to observe those principles after noting with satisfaction that the draft resolution mentions the resolutions of the Council dated September 30 and December 10. He made the following statement:

"The Council, under the terms of article 11 of the Covenant, proposed to send to the Far East a Commission of Inquiry which was to furnish the elements of the fundamental solution. That Commission is about to begin its work. You will remember that in the Council meetings of January 29th and 30th the Japanese delegation raised objections to the application of article 15 with regard to the whole of the Sino-Japanese conflict having in view the continuation of the procedure which I have just made possible.

The attitude of the Japanese Government has, I hope, been sufficiently clearly demonstrated by what I have just said. Its attitude was defined in the declaration made in response to the appeal by the 12 members of the Council. Thus it is subject to certain reservations as to the applicability of article 15 that Japan attends the Assembly and consequently it is unable to cast its vote in favor of the resolution before us.

In these circumstances the Japanese delegation will, in order not to prevent the passing of the resolution, merely abstain from voting."

(*c*) A vote on the draft resolution was taken by a show of hands and the resolution was adopted. Sato and Yen abstained from voting.

Assembly.

(*a*) A vote on the resolution was taken by roll call. At the conclusion of the voting the President made the following announcement:

"The result of the voting is as follows: Forty-five states voted in favor of the proposal; two states abstained. We apply paragraph 5 of article 19 of the rules of procedure as follows: 'For the purposes of this rule representatives of states which abstain from voting shall be considered as not present.' Therefore I can declare that this resolution has been adopted unanimously."

(*b*) Yen then explained that his abstention was not to be taken as a sign of opposition to the resolution but merely that as yet he had not received a reply to his request to his Government for instructions.

(*c*) The Assembly then proceeded to vote by secret ballot for 6 members of the committee as envisaged in part III, paragraph 4 of the resolution, each ballot to contain the names of not more than 6 states, a majority to consist of a majority of proper ballots cast. The President announced the result as follows: number of ballots; absolute majority necessary 24; states elected with respective number of votes as follows: Switzerland 38, Czechoslovakia 35, Colombia 31, Portugal 26, Hungary 24, Sweden 24; and that thus the committee would consist of the President of the Assembly, the 12 members of the Council, except China and Japan, and the states just elected.

(*d*) The President declared the Assembly adjourned until he should convene it again and stated that he would convene the committee in the first days of next week.

GILBERT

793.94/4711 : Telegram

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

SHANGHAI, March 12, 1932—10 a.m.
[Received March 12—5:20 a.m.]

My March 11, 2 p.m. Following is Quo Tai-chi's reply dated March 11th to the Japanese Minister's letter.

"With reference to Mr. Shigemitsu's letter to you of yesterday, March 10, a copy [of] which you were good enough to hand me this noon, I wish to state that the expression 'complete withdrawal' in our reply yesterday implies withdrawal of the Japanese forces and [*which?*] revert to the position prior to their advance on the night of January 28."

In communicating a copy of the above to the Japanese Minister, Sir

Miles said that he assumed Shigemitsu would let him know when he feels that the time has arrived for a meeting with the Chinese.

JOHNSON

893.01 Manchuria/33 : Telegram

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

PEIPING, March 12, 1932—11 a.m.
[Received March 12—5:20 a.m.]

329. Following from the American Consul General, Mukden:

1. "March 11, noon. The principal officials of the new government, appointed by the Regent on March 10th, are as reported in my despatch of March 7th except Chang Ching-hui who is head of the councilors Yuan or Privy Council. Other members of the Privy Council are Tang Yu-lin, Yuan Chin-kai, Chang Hai-peng, Lo Cheng-yu and Kuei Fu. Chao Hsin-po was appointed Chief of the Legislative Yuan."

2. Other important officials mentioned in despatch of March 7th, referred to above, are: Cheng Hsiao-hsu, Premier; Hsi Hsia, Minister of Finance and Governor of Kirin; Ma Chan-shan, Minister of War and Governor of Heilungkiang; Tsang Shih-yi, Minister of Civil Administration and Governor of Fengtien; Hsieh Chieh-shih, Minister for Foreign Affairs.

For the Minister:
PERKINS

761.93/1440 : Telegram

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

PEIPING, March 12, 1932—noon.
[Received March 12—3:08 a.m.]

330. Legation's March 1, noon.[94] General Shang Chen who has just arrived here from Loyang stated that the Central Executive Committee after considerable discussion decided to avoid Soviet alliance and to take measures to guard against communist activities. Chinese fear eventually getting the worst of such a bargain. The General confirms decision to continue resistance to Japan.

For the Minister:
PERKINS

[94] Not printed.

693.002 Manchuria/6 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, March 12, 1932—noon.
[Received March 12—9:20 a.m.]

107. Foreign Office informed me this morning it had received information corresponding with paragraph 1 of Department's 88, March 11, 1 p.m. Foreign Office intimated its realization that some action along the lines of the Department's suggestion must be taken but could give no considered opinion before consultation with Sir John Simon who returns from the Continent tomorrow evening.

I understand Minister Wilson was unable to communicate the contents of Department's 88, March 11, 1 p.m., to Simon before he left Geneva for Paris last evening.

ATHERTON

793.94/4729a : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, March 12, 1932—2 p.m.

90. I request that you deliver the following personal letter from me to Sir John Simon:

"My dear Sir John: I want you to know how sincerely I appreciate your constant and effective efforts for the incorporation by the Assembly of the League of Nations in Part I of its resolution of a proclamation which aligns the members of the League of Nations so harmoniously with the position taken by my Government in its note to China and Japan of January 7, 1932. The reference to the Kellogg Pact in the resolution is most gratifying evidence of a desire on the part of the members of the League who are also signatories of that treaty to find a common basis for action with the United States. I cannot but feel that the close cooperation of our Governments has resulted, with your assistance in Geneva, in an important contribution to the cause of peace. It has created a precedent of international practice which will, I believe, go far to effectuate the purposes which are common to both the Pact of Paris and the Covenant of the League of Nations. I can only assure you that it is my earnest hope and desire that our two Governments shall continue their efforts in the same spirit of constructive cooperation. Believe me, Yours very sincerely, Henry L. Stimson."

STIMSON

493.11 Shanghai/19 : Telegram

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

WASHINGTON, March 12, 1932—2 p.m.

95. Your 100, February 23, 3 p.m., and Department's 61, February 29, 5 p.m.

1. With further reference to the question of American claims which have arisen or may arise as a result of the existing dispute between China and Japan, the Department submits for your guidance, in general, the following observations:

The history of international claims shows that the decisions made are usually based upon most careful considerations of rather fine points of law in the light of judicial deduction of fact from conflicting evidence.

What principle or principles of law will be involved in the proper determination of any claims will, almost of necessity, depend upon the evidence of facts which may be submitted by the claimants and the American diplomatic and consular officers. The all important point to be borne in mind is, therefore, that there should be collected and preserved, in the most authentic form possible, the very best evidence of all the surrounding facts in each case. The question whether there is international liability in any particular case, and, if so, whether on the part of Japan or of China, may depend upon evidence of facts concerning which it is impossible for the Department to have any definite information at this time. It is, therefore, impossible to indicate with any particularity the evidence which should be submitted in individual cases.

The fact, however, that the circumstances of the present situation at Shanghai and in other parts of China are somewhat unprecedented will probably accentuate the difficulty of reaching proper decisions as to the essential facts and controlling principles of law applicable to the resulting claims and makes the use of great care in their preparation the more necessary.

In view of the foregoing, probably the only action the Department can appropriately take at this time to assist claimants is to emphasize to the diplomatic and consular officers, and through them to the claimants, the necessity of procuring now, while the evidence is fresh, complete and accurate evidence with respect to any damage suffered by American nationals, including the all essential evidence of facts tending to show international responsibility of either Japan or China for the damage.

The protection of the rights of American citizens in future claims

does not usually depend upon the filing of protests by diplomatic and consular officers with the offending Governments at the time of the injury. An international wrong is not made a right by lack of protest against it, although protests may be helpful in preventing repetition of the wrongs.

2. Repeat the above to the Legation with the Department's request that it be made the basis of a circular instruction at an early date to consular officers in China.

STIMSON

893.01 Manchuria/38 : Telegram

Mr. Hsieh Chieh-shih to the Secretary of State

CHANGCHUN, March 12, 1932.
[Received 4:10 p.m.]

SIR: I have honor of informing you that provinces of Fengtien, Kirin, Heilungkiang and Jehol, Tung Sheng special district and Mongolian Mengs or Leagues under several banners have united themselves to establish independent government severing their relations with Republic of China and created "Manchoukuo" or State of Manchuria on March 1st, 1932. It must be known to you that old military authorities headed by Chang Hsueh-liang that administered over northeastern provinces sought only their self-interest and failed to give adequate consideration for welfare of people; further, that entire populace was subjected to extreme sufferings through outrageous exactions resulting from corrupt discipline in official circles and that relations with foreign nations were greatly impaired through enforcement of antiforeign policies. Furthermore, in China proper there is to be found no unified and stable government due to constant factional strifes of murderous nature among various military leaders of their own race and not a day of peace is to be seen by people at large. Hereupon, people of Manchuria at opportune time when old military power was overthrown established new state with unity of endeavors and single purpose. Government of Manchuria proposes to perfect institution of laws and establish security for life of people and exert all possible power for promotion of their happiness and peace. As regards relations with foreign nations it has been definitely decided that diplomatic intercourse shall conform to several principles hereinafter stated:

1st. That Government shall conduct affairs of state according primary principle of faith and confidence and spirit of harmony and friendship and pledges maintain and promote international peace.

2d. That Government shall respect international justice in accordance with international laws and conventions.

3d. That Government shall succeed those liable obligations due Republic of China by virtue of treaty stipulations with foreign countries in light of international laws and conventions and that these obligations shall be faithfully discharged.

4th. That Government shall not infringe upon acquired rights of peoples of foreign countries within limits of State of Manchuria and further that their persons and properties shall be given full protection.

5th. That Government welcomes entry of peoples of foreign nations into and their residence in Manchuria and that all races shall be accorded equal and equitable treatment.

6th. That trade and commerce with foreign countries shall be facilitated thus contributing to development of world economy.

7th. That with regard to economic activities of peoples [of] foreign nations within State of Manchuria, principle of open door shall be observed.

It is earnest desire of this Government that your Government will fully understand purport of establishment of State Manchuria hereinbefore stated and formal diplomatic relations be established between your Government and State of Manchuria. With assurances of my highest esteem and distinguished considerations

Respectfully,

HSIEH CHIEH-SHIH
Minister for Foreign Affairs
State of Manchuria

March 12, First Year of Tatung

CHAPTER VII: MARCH 13–31, 1932

First Meeting Between Chinese and Japanese To Discuss Shanghai Armistice, March 14; British Statement of Policy Respecting Far East, March 22; Extension of Japanese Military Control Along Chinese Eastern Railway and Sungari River; First Formal Session of Shanghai Armistice Negotiators, March 24; "Independence" of Chinese Salt Revenue Administration in Manchuria, March 28; Japanese Interference With Chinese Postal Service in Manchuria

793.94/4724 : Telegram

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

SHANGHAI, March 13, 1932—2 p.m.
[Received March 13—9:30 a.m.]

182. The following summarizes unreported incidents and conditions for the past week. Rumors of peace have absorbed public attention almost to the exclusion of everything else. To date so far as can be ascertained there is no substance to rumors. There are no indications that the Japanese intend to withdraw, Japanese reinforcements have been disembarking almost daily, military supplies and equipment in

great quantities are being landed. The artillery included 8 eleven-inch howitzers. This would indicate continued occupation and yet peace rumors continue and Japanese talk peace and disclaim any intention of permanent occupation.

2. Unconfirmed reports state that Japanese are strengthening lines of defense and there is large concentration of Chinese troops at Hangchow. Chinese troops have been drifting back to Hungjao, Lunghwa and Siccawei in small groups during the last few days. These seem to be unorganized groups of soldiers and if sufficient numbers drift they will be a menace to the country south of the Shanghai-Nanking Railway. This is beyond the limits of the foreign-controlled area.

3. The foreign-administered area has not presented any difficulties south of Soochow Creek since before "fire cracker" night on 4th. Curfew has been advanced to 11:30 o'clock. The Public Works Department which had suspended routine duties for military defense work has practically returned to public works of peace kind. Though yet unable to get complete control of Hongkew and Yangtzepoo the International Settlement functions therein are approaching normalcy with less Japanese interference generally. The Shanghai Municipal Council has offered to undertake sanitation in war zones contiguous to International Settlement believing that sanitation will reduce menace to health of the Settlement. Electric lighting is reappearing at all points in Hongkew and Yangtzepoo. Foreigners can move in that section with practical freedom.

4. Japanese military have proclaimed peaceful intentions and have urged Chinese to resume vocations in war zones and it is surprising the number who are returning to their labors in Hongkew, Yangtzepoo and other [*extra-?*] Settlement boundaries. The recent battlefield areas to north are not entirely open even to foreigners and travel in much of these and Chapei is attended with considerable risk. The Japanese have sympathetically considered practically every request which has been presented in the last 5 days by this Consulate General for assistance to preserve American industrial plants and property in war zone. Passes and protection have been given and accorded. Superficially the week has witnessed many improvements in conditions. Even the golf course which is but slightly to the west of the Kiangwan battlefield was open yesterday for play and the Chinese caddies were surprisingly easy to procure though that district is entirely in Japanese-controlled area. Of course, this class does not understand what the trouble was about nor has it any alternative but to return to work if it did know. It will take time to restore the devastated areas much of which probably will not be rebuilt for years. Much diplomatic work remains to be done before it can be determined

whether or not the former owners are to be permitted to restore their plants. Chaos was produced in a few hours but it will take years to completely restore the destroyed area.

Repeated to Legation and Nanking, copy to the Minister.

CUNNINGHAM

793.94/4725 : Telegram

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

SHANGHAI, March 13, 1932—3 p.m.
[Received March 13—9:35 a.m.]

My March 13, 9 p.m. [*a.m.*][95] In a further letter to Lampson dated today Shigemitsu states:

"Our representative at Geneva wires back to me in reply to my inquiry that he is not disposed to look upon Dr. W. W. Yen's reservation as modifying the declaration of the League resolution or as binding us in any way. As regards the expression 'complete withdrawal' I can hardly persuade myself to read Mr. Kuo Tai-chi's meaning into the resolution as it stands.

Permit me to reiterate the Japanese are prepared to enter into negotiation at any time on the basis of the League resolution. It would seem much better to expedite the matter if both sides stood simply on the resolution itself and avoided at this state [*stage?*] to bring in conditions or matters extraneous to it."

JOHNSON

893.20/302 : Telegram

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

SHANGHAI, March 14, 1932—10 a.m.
[Received March 14—6:10 a.m.]

Please paraphrase following from Lieutenant Colonel Drysdale for War Department:

"T. V. Soong, Vice Chairman of the Executive Yuan, requests me to secure the services for the Chinese Government of a group of qualified Americans to organize and operate an air school where military aviators may be trained. This may be considered an authoritative request from the Chinese Government. Soong stated that the services of Army officers on active list was not essential.

In case an American mission is not sent Chinese will certainly secure services of other nationals. The presence of such a mission in China will be invaluable in increasing the use here of American planes and

[95] Not printed.

equipment. I consider its importance commercially warrants the careful selection of a nonofficial group of qualified American aviators by some suitable and interested American interests, the mission to be made available to the Chinese Government immediately after the termination of the present critical Sino-Japanese situation.

Soong will make a formal request upon information that such a request will receive favorable consideration. I request reply at earliest convenience. The American Minister concurs."

JOHNSON

793.94/4731 : Telegram

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

SHANGHAI, March 14, 1932—2 p.m.
[Received March 14—12:05 p.m.]

My March 13, 3 p.m. British Minister replied yesterday to Japanese Minister that in response to an inquiry he had received the following statement from the British Foreign Secretary regarding validity of the reservations made by Dr. Yen at the time of the League Assembly resolution March 4.

"The translation of the report of the Chinese delegate stated that he understood it to mean that the negotiations mentioned in paragraph 3 thereof were armistice negotiations and not Shanghai conference which should follow armistice negotiations. He accepted the resolution on this understanding and on the further understanding that no condition should be attached to the withdrawal of the invader's troops. No other delegate spoke and these undertakings were therefore presumably accepted by the Assembly."

Sir Miles adds that this view apparently does not tally with the view expressed by the Japanese representatives as stated in Shanghai's [*Shigemitsu's*] letter of March 13th.

JOHNSON

793.94/4750 : Telegram

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

SHANGHAI, March 14 [*15?*], 1932—11 p.m. [*5 a.m.?*]
[Received March 15—12:55 a.m.]

Your 77, March 5, 9 p. m.[96]

1. Colleagues referred to hereafter consist of British and French Ministers and Italian Chargé d'Affaires.

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[96] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.

2. Colleagues and I agreed today that time had come when we should invite Quo Tai-chi and Shigemitsu to meet informally with us to explore possibilities of commencing negotiations provided for by League resolution of March 4th for cessation of hostilities and withdrawal of troops.

3. Shigemitsu and Quo accepted our invitation and met with us this evening. Meeting lasting from 4:30 till 7:15 p. m.

4. After considerable discussion they agreed to an agenda of three points as a basis for formal negotiations to begin probably Wednesday afternoon.[97]

5. In course of discussion Shigemitsu brought up question of reaffirmation Mayor's letter of January 28th regarding anti-Japanese activities, et cetera. Quo volunteered the statement that his Government would be willing to reaffirm Mayor's letter but insisted that it should not be made a condition to negotiations. We supported him and after much argument Shigemitsu was persuaded to accept as an outside confidential gentleman's agreement a voluntary undertaking by Quo subject to reference to his Government that China would reaffirm Mayor's letter if points set forth under headings (1), (2), and (3) of agenda were accomplished.

6. Mindful of Department's instruction I insisted that this reaffirmation by Chinese must be considered as a voluntary act. Matter was covered as above indicated purely as a voluntary offer by Quo to open way to negotiations for it was obvious to all of us that Japanese set much store upon this point.

7. I assume Department will have no objection to participation by American military and naval officers upon commission which will supervise withdrawal.

8. Question of policing area to be evacuated was not touched upon.

9. Texts of agenda and understandings are being separately telegraphed.

JOHNSON

793.94/4751 : Telegram

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

SHANGHAI, March 15, 1932—10 a.m.
[Received March 15—5:25 a.m.]

My March 15, 5 a.m., last paragraph. Following is draft of agenda and understandings:

"(1) The Chinese troops to remain in their present positions pending a later settlement.

[97] March 16.

(2) The Japanese troops to withdraw to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of 28th January. It is, however, understood that in view of the numbers of Japanese troops to be accommodated some will have to be temporarily stationed in localities adjacent to the above-mentioned areas.

(3) A joint commission with neutral members to certify the mutual withdrawal.

NOTE. It is understood that no other questions of principle will be raised.

SEPARATE NOTE. (Subject to the approval of the Chinese Government). The following understanding is agreed upon:

Provided a definite agreement reached on the basis of the above points, the Chinese side will voluntarily give an independent undertaking that Mayor Wu's letter of 28th January stands."

JOHNSON

793.94/4759 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 15, 1932—10 a.m.
[Received March 15—9:30 a.m.]

119. Consulate's 117, March 11, 9 p. m. Secretary General has circulated the following communication dated March 12th addressed by Yen to the President of the Assembly:

"In accordance with instructions from my Government I have the honor to inform you that the Chinese Government accepts the resolution adopted by the Assembly of the League of Nations on the 11th instant. As I anticipated in my explanation to the Assembly for my abstention the acceptance of the resolution has been delayed because of the time required for telegraphic communication between Geneva and Nanking and for no other reasons.

My Government is gratified that practically all the principles of importance for which it has contended since the very inception of the Sino-Japanese dispute have been incorporated in the resolution of March 11th. My Government desires to refer in particular to three of these principles:

1. That the settlement of the dispute should not be sought under the stress of military coercion which it takes to mean that the evacuation of Japanese troops must precede negotiation.
2. That it is the obligation of members of the League to submit any dispute which may arise among them to procedures for peaceful settlement which absolves the Republic of China from all responsibility for the present terrible state of affairs in Manchuria, Shanghai and other parts of China, and
3. That it is incumbent upon the members of the League of

Nations not to recognize any situation, et cetera, brought about contrary to the Covenant of the League or the Pact of Paris. The word "situation" must of course cover the present state of things created in Manchuria through Japanese manipulation, instigation and military support—in particular to the puppet government in Manchuria.

I shall be deeply obliged to you to bring the above to the knowledge of the Assembly."

GILBERT

893.01 Manchuria/40 : Telegram

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

PEIPING, March 15, 1932—noon.
[Received March 15—2:20 a.m.]

337. Legation's March 1, 5 p.m., last sentence.

Chinese press of March 12th contains the text of a declaration issued by the Chairman of the National Government and the Director of the Executive Yuan in regard to the Northeastern "puppet" government. Declaration charges that the Japanese troops unlawfully invaded the Northeast, coerced the Chinese people, utilized a small number of rebels to effect unlawful organizations and that they have actually ordered the deposed Emperor of the Ching Dynasty to assume false duties and form a puppet government. Declaration closes as follows:

"Accordingly, during the unlawful seizure and occupation of the Three Eastern Provinces by Japanese, all political organizations of these regions are from beginning to end considered as rebellious organizations by the Chinese Government and are at the same time regarded as transformed into subsidiary organizations of the Japanese Government. China is absolutely unable to recognize any of their unlawful activities, and the Japanese Government should assume the entire responsibility therefor."

For the Minister:
PERKINS

793.94/4767 : Telegram

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

SHANGHAI, March 16, 1932—9 a.m.
[Received March 16—12:44 a.m.]

My March 15, 10 a.m.

1. British Minister last evening forwarded to me the following text

which had been given to him by the Japanese Minister as a substitute for paragraph (3) of the original draft:

"(3) A joint commission with neutral members to certify the carrying out of the agreement under paragraphs (1) and (2) and to watch and observe the general conditions in the evacuated area until a later settlement."

2. Please note carefully additional wording which seems to indicate Japanese desire that neutral commission police the evacuated area pending further settlement. Does the Department desire that I permit our agents to participate to this extent?

3. I perceive in this an intention to raise question of policing this area at further conference.

JOHNSON

893.01 Manchuria/41 : Telegram

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

PEIPING, March 16, 1932—noon.
[Received March 16—2:20 a.m.]

341. 1. Following from American Consul General at Harbin:

"March 15, noon.

Paragraph No. 1. Local Commissioner of Foreign Affairs has informed me in writing he had received a telegram from the office of Foreign Affairs at Kirin stating that the latter had been instructed by the *Changkuan* to notify the consuls at Harbin that the executive had been formally inaugurated on March 9th and that all documents should be dated the first year of Ta Tung.

Paragraph No. 2. I do not intend to acknowledge the receipt of this note unless I am instructed to the contrary by the Legation."

2. Following from American Consul General at Mukden:

"March 15, 7 p.m. This Consulate General has received a despatch dated March 15 from the local provincial government in the following effect: I have the honor to inform you that telegram has been received March 9th from the State Affairs Yuan stating that the chief executive of Manchoukuo formally assumed the duties of his office on March 9th."

3. Legation has instructed Harbin and Mukden to refrain from acknowledging receipt of communications received regarding inauguration of chief executive.

For the Minister:
PERKINS

793.94/4772 : Telegram

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

SHANGHAI, March 16, 1932—noon.
[Received March 16—8:55 a.m.]

185. Through arrangements which were stated by the Secretary of the Japanese Legation to have been perfected at Nanking the Japanese turned over yesterday 36 out of 37 combatant prisoners of war. The 37th is alleged to be a Japanese boy 17 years of age who enlisted in the 19th Route Army some weeks ago for his board. These are stated by the same official to be all the combatant prisoners of war that are now in their possession. It is claimed that yesterday two Japanese prisoners of war were turned over to the Japanese authorities at Nanking. The names and ranks of these two prisoners are not to be published.

2. The delivery of the Chinese prisoners first came to my attention through a letter dated March 9th to the Senior Consul from the Japanese Consul General requesting a permit to transport the 36 prisoners from headquarters to Sinza Road via Szechuen Road, Nanking Road, Bubbling Well Road and Carter Road to Sinza Road. This appears to me to be the height of imprudence and indiscretion since the Chinese residents must regard such a procession as a march of victory and it was sure to lead to disturbances in the thickly populated part of the city. I immediately got in touch with the Japanese authorities, the British Consul General, and the Shanghai Municipal Council authorities in an endeavor to secure a change of plans. I informed the American Minister of my proposal which met with his approval. Yesterday morning the First Secretary of the Japanese Legation called upon me and agreed to change the route so that the prisoners would be conveyed entirely around the Settlement to the western side for delivery to the Chinese, which was completed at 1:30 p. m.

Repeated to the Legation, copy to the Minister.

CUNNINGHAM

693.002 Manchuria/11 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, March 16, 1932—5 p.m.
[Received March 16—1:44 p.m.]

111. Department's 88, March 11, 1 p.m. On March 14th in reply to a question in the House of Commons the Foreign Minister stated re-

garding the recognition of the Manchurian régime "our present information would make it premature to take any such action."

In view of the fact that Washington correspondents of various newspapers report the United States Government will not recognize the new régime, I made further inquiry of the Foreign Office and was informed that the matter was still under consideration by the legal department in view of the many attendant complications. Foreign Office added informally [that] when any opinion was provisionally reached they would consult with me before finally answering suggestion presented as reported in my 107, March 12, noon.

ATHERTON

793.94/4803 : Telegram

The Minister in Switzerland (Wilson) to the Secretary of State

GENEVA, March 16, 1932—9 p.m.
[Received March 16—6:20 p.m.]

78. Following report from Sweetser:

"The Assembly Committee of 19 members appointed to follow the Sino-Japanese affair held its first meeting in private this afternoon. Hymans as president stated that Sato had authorized him to state:

(1st) that the withdrawal of troops from Shanghai had already begun and,

(2d) that the two parties had in cooperation with the four principal powers reached a provisional agreement which was still secret but which Sato hoped might soon be published.

Londonderry confirmed this information stating that another meeting was scheduled at Shanghai for this afternoon.

The Committee all felt that the center of interest now lies in Shanghai and that the only useful action possible at Geneva would be to sustain the action of the powers there and bring any possible pressure to bear upon the parties to induce them to arrive at an immediate and final agreement. It was, therefore, agreed that a public meeting with the two parties present should be called for tomorrow afternoon at which it would be hoped Sato would repeat publicly what he had said to Hymans privately and that thereupon various members of the Committee would make declarations as to the need of haste. Should this program prove feasible and the hopes of a definitive early settlement be realized the Committee would then be able to adjourn for the 3 weeks of the Disarmament Conference adjournment. Should any smaller difficulty arise the Secretary General could negotiate it by telephone with Hymans; should a major difficulty arise Hymans could always reconvene the Committee.

In reply to a question as to sources of information for the Committee, Drummond stated they were three. The first was the original Lytton Commission created by the Council under article 11 and now

in Shanghai. This Commission was leaving shortly for Nanking for a few days and then for Manchuria and had been asked to make an interim report to the Council as soon as possible. The Council would undoubtedly study this report as soon as it came and pass it on to the Assembly Committee with any comment it cared to make. The second was the original Shanghai Committee instituted by himself at the outbreak of the crisis and still subject to call if desired. He thought however that this would be unnecessary because of the third system of information through the principal powers which was giving satisfactory results.

An inconclusive exchange of views also took place as to whether the Committee's meetings should be in public or not. Beneš and Motta felt that in principle public sessions were highly desirable; Hymans, Boncour and Apponyi however felt that a delicate mediation could best be conducted in private. No formal decision was reached except that tomorrow's meeting with the two parties should be public."

WILSON

793.94/4787 : Telegram

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

SHANGHAI, March 16, 1932—9 p.m.
[Received 10 p.m.[98]]

Your 96, March 12, 5 p. m. to Shanghai.[99]

1. I desire to invite Department's attention to part 2[1] which reads "and requests those powers if necessary to cooperate in maintenance of order in the evacuated zone". Japanese amendment to tentative agenda quoted in my March 16, 9 a. m., is based upon this provision of the resolution which Shigemitsu points out commits China and the other participating powers to more even than he has asked.

2. In my discussions here I have taken the stand that we do not wish to become involved in the policing of the area which it is presumed the Japanese are about to evacuate. My British and French colleagues have been equally averse to it. I have felt from the beginning that evacuated area should be turned directly back by the Japanese to the Chinese and that the most that we could do would be to act possibly as official witnesses of the handover.

3. For my own information and guidance I must know whether the American Government is committed in any way to the "maintenance of order in the evacuated zone". If the area is evacuated by Japanese troops there will be no need of foreign troops there provided Chinese police forces are available. In any case there is a great deal of doubt

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[98] Telegram in two sections.
[99] Not printed; it relayed information from Geneva.
[1] Of the League resolution of March 11.

here as to whether we have sufficient forces to control the peace of the Settlement area and extend that force to the control of area outside in which there has recently been a tremendous amount of destruction and loss of life due to actual conditions of warfare. The question of unity of control will present difficulties well nigh insurmountable and last but not least I think there is no foreign force here in Shanghai that wishes to be saddled with the responsibility of handing over to the Chinese the ruined villages and desecrated countryside which the Japanese are leaving behind them.

JOHNSON

893.01 Manchuria/43 : Telegram

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

PEIPING, March 17, 1932—11 a.m.
[Received March 17—1:30 a.m.]

346. Following from American Consul General at Harbin:

"March 12, 4 p.m. Ohashi returned to Harbin from Tokyo this morning and inferred to me that the procedure of forming a new state would continue and stated that the matter of Chinese Maritime Customs revenue could, in his opinion, be arranged by allotting a certain proportion for service of foreign loans secured by the revenue, as in the case of Canton and Tientsin when the customs offices there were controlled by factions independent of Nanking. He added that he desired to aid in reconciling American opinion favorably to the actions of Japanese in trying to straighten out affairs in Manchuria and that he would do his utmost to bring about the actual realization of the open-door policy. He asserted that the Japanese Government did not desire to create Japanese monopolies in Manchuria and has no intention of having its army invade Siberia."

For the Minister:
PERKINS

793.94/4854

Memorandum by the Secretary of State

[WASHINGTON,] March 17, 1932.

During the call of the Italian Ambassador today he said that the question was being raised whether I intended my position taken in the note of January 7th and the Borah letter to apply to a revision of the Versailles Treaty.[2] I replied that my country was not a party to the

[2] Signed June 28, 1919, *Treaties, Conventions, etc., Between the United States of America and Other Powers*, 1910–1923 (Washington, Government Printing Office, 1923), vol. III, p. 3329.

Versailles Treaty and no such question was raised. I pointed out that my note of January 7th referred to two treaties, the Nine Power Treaty and the Pact of Paris; that the Assembly of the League of Nations had subsequently adopted the same principle in respect to the Pact of Paris and Article X of the Covenant; that in the Pact of Paris we had all agreed to settle our controversies by no other but pacific means, and in the note of January 7th and the principle of the resolution of the Assembly it was proposed not to recognize results which were obtained in violation of that covenant and by force or war. I pointed out to the Ambassador that the doctrine did not touch any proposal to revise a treaty by peaceful negotiation or agreement; it did not propose to place the world in a strait-jacket against such peaceful revision or solution of controversies.

H[ENRY] L. S[TIMSON]

893.01 Manchuria/65

Memorandum by the Secretary of State

[WASHINGTON,] March 17, 1932.

The Belgian Ambassador said that his Government had received an invitation from the new Manchurian State to recognize it, and asked me whether we had received one and what we were going to do. I told the Ambassador that we had received one and we did not intend to recognize it. I pointed out to him Article 2 of the Nine-Power Treaty and said that, for myself, I was inclined to think that that Article must be very carefully considered before we recognize the new Manchurian State for it would seem, at first hand, to be a promise on our part, and by each of the other signatories of the Nine-Power Treaty, not to make such a recognition in such a case as was presented in Manchuria. The Ambassador said he was very much interested because his country was also a signatory to the Nine-Power Treaty.

H[ENRY] L. S[TIMSON]

793.94/4850

Memorandum by the Secretary of State

[WASHINGTON,] March 17, 1932.

During the call of the Belgian Ambassador today he said that he had read my statement about the resolution, adopted by the Assembly of the League of Nations, where I spoke of that action thus taken as being a step forward in international law, and he wanted to know my view as to that in detail—would it need to be enacted into code or

be a matter for subsequent agreement. I replied that I thought this would probably not be necessary; that the action of the Assembly was a very solemn declaration of policy on a subject of international relations, taken by practically all the nations of the world in a formal meeting; that we had taken the same action by ourselves, and that I thought that declarations thus made by practically all the world would, of themselves, tend to establish the doctrine thus enunciated as international law. I pointed out that that was the way in which, in many instances, international law had been established in the past and that never had there been a more formal or such a representative declaration as this one.

I told the Ambassador that I had been very greatly pleased with the earnestness and seriousness of the nations assembled at Geneva which, in my opinion, had been greatly helped and promoted by the courage and wisdom of Mr. Hymans of Belgium, who had been the President of the Assembly. I asked the Ambassador to convey my deep appreciation of this to Mr. Hymans himself. The Ambassador said that he gladly would and that Mr. Hymans would deeply appreciate it.

H[ENRY] L. S[TIMSON]

793.94/4787 : Telegram

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

WASHINGTON, March 17, 1932—1 p.m.

103. For the Minister. Your March 16, 9 a. m., paragraph 2, and March 16, 9 p. m.

1. I share your feeling that the evacuated area should be turned directly back by the Japanese to the Chinese. However, confronted with the problem which the actual situation presents, it may be essential to give some practical assistance toward making possible the liquidation of the present military situation.

2. The American Government has not committed itself to participation in maintenance of order in the evacuated zone. I have throughout taken the position that I would make no commitments on this subject, which is primarily one for consideration by the men on the spot familiar with the problem, until I had received recommendations from you.

Referring to the Assembly's Resolution of March 11, part II, third paragraph, you will note that the League asks "member powers. . . if necessary to cooperate in maintaining order in the evacuated zone". In acknowledging Drummond's letter to Wilson of March 11, this

Government indicated that it was prepared to cooperate toward bringing about definitive cessation of hostilities and withdrawal of the Japanese forces; but it did not specify that that cooperation would take the form of participation in the policing of an evacuated area. I had expressed to Wilson before and I expressed to him on March 11, by telephone, the view that the question of the form which cooperation should take was one which should be considered at Shanghai. I authorized him to let my view be known to responsible persons.

3. The position taken by the Assembly of the League and by this Government has been that hostilities must be terminated and Japan's armed forces must be withdrawn. It stands to reason that in process of the Japanese withdrawal some arrangement should be made to prevent contact between the Japanese troops as they withdraw and the Chinese troops. There would probably need to be an agreement by China not to advance its forces during that withdrawal. It would possibly assist the observance of that agreement if the neutral powers furnished observers in the evacuated territory during the withdrawal, but I see, as you do, serious objections to any attempt by the neutral powers to hold in force such a large territory as that to be evacuated, and I feel that the whole question is one on which the first recommendation should come from you and your conferees at Shanghai.

4. It is further to be expected that the Japanese will resist any proposal which would permit after the Japanese withdrawal reoccupation by Chinese troops of the whole area from which the Japanese shall have withdrawn. It occurs to me that this might be taken care of by a pledge by China that Chinese soldiers shall not come within the area of the municipality of Greater Shanghai together with adequate assurances by the authorities of that municipality that the policing of the area within the municipality of Greater Shanghai by Chinese police shall be effective against violent anti-foreign activity of any kind. If an attempt to secure an agreement on this should reach an impasse, I should then be glad to have your recommendations as to whether any practical contribution can be made by the use of neutral military forces.

5. This problem as a whole is one which, in my opinion, can only be worked out by you and the other representatives on the spot. You should resist any efforts on the part of Japan or other powers to advance self-interests on the basis of the military situation. But you should be prepared to offer the cooperation of your Government and its agencies for assistance in connection with measures which may seem to you necessary and pertinent to and restricted to steps taken in liquidation of that situation. This, in line with what I have said above, I authorize you to do. This will require the working out by

you and your colleagues who represent neutral powers of some plan which will meet the exigencies of the problem.

STIMSON

793.94/5116

Memorandum by the Vice Consul at Shanghai (Ringwalt)[3]

[SHANGHAI,] March 17, 1932—5 p.m.

The attached statement and report[4] were furnished me by Colonel Thoms, S. V. C.[5] In my opinion they are of great interest and shed very considerable light on an otherwise obscure situation, particularly with reference to the opening of hostilities on the night of the 28th of January.

It seems quite plain that both Chinese and Japanese were prepared for the outbreak of hostilities. For example, the Chinese had a secret telephone wire leading down from a breastworks on Paoshing Road to a point overlooking the Japanese Public School so that troop movements of the Japanese in this neighborhood could be reported direct to this post.

The Inspector in charge of Hongkew Police Station has informed me that there was no indication that Chinese police evacuated Chapei until they were driven out by the Japanese forces and any claim to the contrary on the part of the Japanese was patently false. To his own personal knowledge there were some eighty or ninety Chinese police functioning east of Szechuen Road extension the night of the Japanese occupation, who were caught by the Japanese advance and were unable to make their escape. He believes that they retired to private houses and changed clothes, and that these men furnished the nucleus of the plain clothes brigade in this particular district. To the best of his knowledge all Japanese residents of Chapei were withdrawn before the night of the occupation, with the possible exception of a few Japanese concentration camps in the immediate vicinity of their military headquarters, which could be readily defended.

In so far as the movements of the Chinese members of the Shanghai Municipal Police were concerned, they were withdrawn from all areas within the Japanese sector as of 4:30 on January 28 when the State of Emergency went into effect.

I have conversed informally with Major Gerrard regarding the operations of the Japanese troops and it appears to be his unofficial opinion that the Japanese never intended to stop from the first. This

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[3] Copy transmitted to the Department by the Consul General at Shanghai in his despatch No. 8181, March 31, 1932; received April 25.

[4] Neither printed.

[5] Shanghai Volunteer Corps.

opinion would seem to be borne out by the attached report regarding the efforts of the Japanese military to attack the Chinese troops through West Honan Road Gate.

I was an eye witness to a good deal of what went on during the first night of the occupation and happened to view the assembling of the Japanese troops near the Public School about 11 : 15 p.m. prior to their being dispatched into Chapei. My impressions were that the whole affair was being treated in the light of a picnic by the Japanese, with speeches, flashlight photographs and general gayety. It was quite obvious that the occupation had been worked out a long time in advance as anyone could testify who saw the troops landed at the various jetties on the Bund and Broadway and from this point loaded on busses which fell into line with almost the same precision as a parade of wooden soldiers.

At about a quarter to twelve the troops left the assembly point at the Public School for various streets leading into Chapei, where they met with considerably more opposition than they had anticipated. Apparently they immediately called for reinforcements. As the firing was getting rather promiscuous at this time, I decided that discretion was the better part of valor and decamped. On the way back, I was able to view the mopping up methods of the Japanese troops. A squad of some fourteen or fifteen with rifles and machine guns would approach a street corner and on turning the corner would sweep the street, sidewalk and shops with machine gun bullets. I noticed considerable sniping, which handicapped the movements of the mopping up squads very considerably. I passed a number of wounded and dead civilians. Some had been shot and others bayoneted.

From this point I returned to the office of the United Press and from this window saw Japanese reinforcements being landed at the Customs Jetty, at which point they were bundled on to trucks and dispatched to Chapei.

Someone has said that the explanation for the Shanghai venture is that the Japanese Navy was jealous of the highly successful Manchurian expedition in which the Japanese army participated. The Navy hoped to duplicate this success in Shanghai.

ARTHUR R. RINGWALT

793.94/4825 : Telegram

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

PEIPING, March 18, 1932—11 a.m.
[Received March 18—4:37 a.m.]

350. The following has been obtained through the medium of Dr. Ferguson of Peiping as an expression of the views of a very highly

placed Japanese now traveling in China for purposes of official investigation.

1. Japan does not intend to annex Manchuria but will insist upon a government there which does not interfere with the railway or undermine Japan's other interests. Japan is not greatly concerned over the activities of the League Commission; for Japan would prefer to give up the League rather than yield upon any matters in Manchuria considered necessary for her safety.

2. The Shanghai affair is a muddle from which Japan would be glad to extricate herself by any reasonable face-saving process.

3. Japan is convinced that she cannot live side by side with China dominated by the Kuomintang and Japan will continue to pound away until that organization is replaced by some kind of government with which satisfactory relations may be maintained. Chiang Kai-shek has been in constant communication with the Japanese and desires to see present difficulties patched up. Should Chiang cut loose from the Kuomintang he might well be a leader of China with whom Japan might deal.

4. Japan is determined that Marshal Chang Hsueh-liang must go and is endeavoring to bring about his retirement. He must eventually be gotten out, even if an incident has to be created for the purpose. Japan does not take seriously the reports of a proposed punitive expedition of the new régime in Manchuria.

5. The Japanese Government finds great difficulties in its own internal administration since the military branches refrain from reporting upon matters in which they exceed the scope of their Government's instructions. It is only when special investigators are sent that the complete facts are ascertained; and, meanwhile, through lack of knowledge of the "whole truth" the Government becomes embarrassed in its relations with other governments.

Repeated to the Minister.

For the Minister:
PERKINS

893.01 Manchuria/46 : Telegram

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

PEIPING, March 18, 1932—1 p.m.
[Received March 18—2:52 a.m.]

352. Following from American Consul General, Mukden:

"March 17, 3 p.m. T. Komai, civilian adviser to the Kuantung Army headquarters with the rank of Lieutenant General, has been appointed Director of the General Affairs Department in State Affairs Council

of which Premier is the head. A press report from Harbin states that he will become a citizen of the new state.

Another report states that C. Ohashi, Japanese Consul General, has been appointed Director of the General Affairs Department in the Ministry of Foreign Affairs. He has just returned from Tokyo."

For the Minister:
PERKINS

693.002 Manchuria/12 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 18, 1932—2 p.m.
[Received March 18—12:35 p.m.]

126. Consulate's 113, March 11, 9 a.m., and Department's to Wilson, 43.[6]

The Secretary General has circulated the following communication dated March 16 received from Sato relative to the Customs Administration at Antung.

"Referring to the communication of the Chinese delegate concerning a telegram from T. V. Soong, Minister of Finance, with regard to the customs at Antung, I have the honor to inform you that our Consul in that town informed Mr. R. M. Talbot, Customs Commissioner, of the contents of the Chinese communication and that the latter has replied to the following effect:

1. That he has been officially informed by the Superintendent of the arrival of a Japanese adviser;
2. That paragraph 1 of the Chinese communication is incorrect;
3. That the last part of paragraph 2 concerning the declarations of the Consul is also incorrect;
4. That he, Mr. Talbot, in his telegram to Inspector General Maze had expressed a personal opinion and had reported current rumors but that he had certainly not attributed to the Japanese Consul the statements which Mr. Soong's telegram alleged him to have made. He, Mr. Talbot, had sent a telegram to Mr. Maze contradicting this information and asking him to rectify it."

GILBERT

793.94/4821 : Telegram

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

SHANGHAI, March 18, 1932—3 p.m.
[Received March 18—6:14 a.m.]

1. When the League Commission arrived here on March 14th my colleagues and I had already arranged for the commencement of dis-

[6] Latter not printed; see last paragraph of telegram No. 88, March 11, 1 p.m., to the Chargé in Great Britain, p. 562.

cussions between the Japanese and Chinese. Lord Lytton was present when my colleagues and I had our usual meeting on the 15th and offered to assist in any way that might be acceptable to us. We discussed among ourselves the suggestion that we invite Lytton to be present with us at the negotiations between the Chinese and Japanese. This suggestion was never carried out, however, for the reason that we subsequently agreed it would be better to have the Commission as a kind of court of appeal in case the discussions in our presence should become deadlocked.

2. Last night an intimation was conveyed through Lytton's Secretary to Lampson that the Commission would like to have us inquire of the League whether it would permit the Commission to remain in Shanghai for a while to assist in these local negotiations. As a result the following telegram has been despatched by the British Minister to his Foreign Office with the concurrence of Lord Lytton.

"My colleagues and I would be glad to learn whether in the event of the move appearing opportune to us and with the concurrence of both parties, the Special Committee appointed under the resolution of March 11th would be prepared to authorize the Commission of Inquiry to delay their departure from Shanghai in order to assist in any way that might at given moment seem appropriate to us in the present negotiations respecting cessation of hostilities and the withdrawal of Japanese troops.

Could this be ascertained through Secretary General of the League?"

JOHNSON

893.01 Manchuria/58 : Telegram

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

PEIPING, March 18, 1932—4 p.m.
[Received March 18—4:25 a.m.[1]]

354. Following from American Consul General, Harbin:

"March 17, 3 p.m.

1. I have received a formal letter March 15th, which is written in English, which is headed 'Department of Foreign Affairs, the State of Manchuria', and which is signed by 'Hsieh Chieh-shih, Minister for Foreign Affairs', informing me that he had telegraphed under date of March 12th and had written under date of March 15th to the Secretary of State of my Government in regard to the establishment of the State of Manchuria, and stating that the State of Manchuria had been created, that its Government had been established and that he (Hsieh) had been charged with the conduct of Foreign Affairs of the new state.

[1] Telegram in two sections.

2. I shall file but not acknowledge the receipt of this letter.

3. The local Soviet Consul General informed me last evening that he had not received any communication from his Government in regard to its attitude toward the question of the recognition of the new state but it was apparent to me that he was not pleased with the turn of events.

4. Local authorities have prohibited the export of wheat, flour and kaoliang ostensibly on the ground that these articles are needed by the local inhabitants but really to stop the Soviet Exportkhleb from shipping more wheat and flour to Vladivostok. The prohibition comes too late as the Exportkhleb having shipped recently 16,000 tons, has ceased its operations. There might be a demand for American flour at Vladivostok.

5. Rolling stock and other Chinese Eastern Railway movable property are still being sent, but as the Soviet side claims that the ownership of all the railway's property is invested in Soviet Russia, it is difficult for the Manchurian officials or the Japanese military to find a pretext to stop this movement by force without incurring the further displeasure of Soviet Russia. The local Japanese-inspired press warns the Soviet Government not to countenance this movement which it states may net the deprecators a few score millions but which may bring harm reckoned in billions to Russia and Japan.

6. Five local Chinese judges and two prosecuting attorneys have resigned because they did not wish to function under the new government."

For the Minister:
PERKINS

793.94/4821 : Telegram

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

WASHINGTON, March 18, 1932—5 p.m.

106. For the Minister. Your March 18, 3 p.m. It is of course not within the Department's province to make suggestions to the League Commission. However, the American Government has a direct concern with regard to what happens both in relation to the Shanghai situation and the Manchuria situation, together with the China-Japan problem as a whole. It appears to the Department that the problem of liquidating the military situation at Shanghai is being adequately attended to by you and your conferees, representing the principal powers concerned. It occurs to the Department that the Commission, if it permits itself to be diverted from its expressly authorized mission and to become preoccupied with this problem, would, first, perhaps complicate rather than simplify the problem at Shanghai, and, second, by delay in addressing itself to the Manchuria problem, be playing

directly into Japan's hand. You are in a much better position than is the Department to judge what useful contribution, if any, the League Commission may be able to make by remaining in Shanghai. If, however, your view in any way coincides with the above, it is suggested that you informally and on your own account point out to General McCoy in confidence these aspects of the matter.

CARR

493.11/1614 : Telegram

The Acting Secretary of State to the Minister in China (Johnson)

WASHINGTON, March 18, 1932—6 p.m.

88. Your No. 305, March 5, 11 a.m.[8] Department is of the opinion that in the premises the presentation of American claims by the Consul General at Mukden either directly to the Merchant Debt Adjustment Commission or to the Japanese Consulate General for transmission to Adjustment Commission would constitute an apparent acquiescence in the assumption by the new government of authority to act for the old government. The Department therefore disapproves of both of these courses of action and requests that you so inform Consul General Myers.

It is possible that, as a matter of expediency, American claimants, after being informed of the Department's attitude as indicated above, may elect to file their claims directly with the Adjustment Commission. To such a procedure the Department would express neither objection nor approval. In this connection, if American claimants so desire, the Department authorizes the filing in the Consulate General of copies of claims and the endorsing upon the original of such claims, under consular signature and seal, of a notation to the effect that a copy of the claim has been deposited in the Consulate General.

The American Government looks to the Japanese Government for the settlement of American claims arising as a result of the recent Japanese military activities in Manchuria, and the Consul General at Mukden may continue to present claims of this category directly to the Japanese Consul General at Mukden.

In this connection the Department desires that you keep in touch with your interested colleagues and keep the Department informed in regard to the attitude of their Governments on this question.

CARR

[8] Not printed.

893.01 Manchuria/119

The Consul General at Mukden (Myers) to the Minister in China (Johnson)[9]

[Extracts]

No. 557 MUKDEN, March 18, 1932.

SIR: Referring to this Consulate General's despatch No. 556 of March 16, 1932,[10] to the Legation at Peiping regarding the inauguration of the new state at Changchun, I have the honor to report upon the government of the new state of Manchoukuo.

. . . . . .

A significant news item in the local press today is that the new government will engage Japanese and other foreigners to give guidance for the introduction of administrative reforms. It is quite evident that Japanese holding key positions will be found in every department of the new government. The phrase "other foreigners", if not meaningless, possibly refers to a few "white" Russians who may be given minor positions.

It has been learned that the position of Japanese adviser will be shortly abolished and that the existing advisers will be given responsible official positions in the government, as is apparently being done at Changchun. The Japanese advisers, it has been noted, have already adopted Chinese dress and in many cases it is difficult to distinguish them from Chinese. It is claimed that they will also adopt Chinese names. These changes are to be effected before the arrival of the League Commission.

This government would seem to have the attributes of a dictatorship rather than those of other recognized forms of government, the dictator, however, not being Mr. Henry P'u Yi, the Chief Executive, but General Honjo, Commander-in-Chief of the Kuantung Army. The title of "Regent" which is favored as the English equivalent of the Chinese characters "Chih Cheng" is not an inappropriate designation for a vicarious ruler. Already P'u Yi probably realizes that he is no longer his own master as must the heads of the provincial governments who are always under the surveillance of one or more Japanese "protectors", gendarmes in plain clothes.

It is not difficult to discover the purpose of the new state. That it is the handiwork of Japanese there can be no doubt. Japan started on a career of empire building on September 18, 1931, the significance of which was probably only realized by a few of its most ardent and far-seeing militarists. Link by link the chain that binds Manchuria

[9] Copy transmitted to the Department by the Consul General at Mukden in his unnumbered despatch dated March 21, 1932; received April 9.

[10] Not printed.

to Japan has been forged and with the formation of the new state the work has been practically completed. A subservient Japanese press reflects the keenest interest on the part of the Japanese in the establishment of the new state which has been heralded far and wide as the beginning of a new era not only for Manchuria but for Japan as well. It is pictured as offering dazzling opportunities for the employment of Japanese and Korean immigrants, for the investment of Japanese capital for the development of its boundless resources and finally for assuring Japan's position among the first-class powers. Except by the propagandist who is endeavoring to mould foreign public opinion, Japanese seem to take it for granted that Manchuria is at last a Japanese appanage and that Japanese interests only need be considered, notwithstanding the free use of such conciliatory phrases as the "open door" and "equal opportunity" which in practice are readily susceptible to varied interpretation and even to manipulation. The purport of these observations is that a public opinion has been created throughout the Japanese Empire which may be expected to prevent any government in Japan from agreeing to accept any settlement of the Manchurian situation based on the *status quo ante* even with full recognition of all rights and privileges accorded by treaty. Manchuria has become in fact a dependency of Japan and any Japanese government that would endeavor to sever or loosen its bonds would be promptly disowned by its constituency as well as invite wholesale disaffection within the ranks of the "puppet" Chinese officialdom. In view of the apparent absence of any genuine sentiment on the part of the Chinese in favor of the new state and of their universal dislike and distrust of the Japanese, the withdrawal of Japanese control would result in the collapse of the new government with consequent reactions on Japanese interests and privileges. It seems, therefore, that despite Japanese protestations to the contrary Japan is committed to a policy which ends in annexation. Competent observers have noted the great similarity between the events of the past few weeks in Manchuria and those of a quarter century ago in Korea. History is probably repeating itself but with different trappings and possibly with more circumvention.

Respectfully yours, M. S. MYERS

793.94/4830 : Telegram

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

SHANGHAI, March 19, 1932—1 p.m.
[Received March 19—7:45 a.m.]

Joint situation report number 11, March 19th:

"1. Embarkation of one Japanese mixed brigade for Japan continues.

2. Commander 19th Route Army protests to neutral observers against the continued flights of Japanese aircraft beyond the Shirakawa patrol zone. Reports from Chinese sources that civilians have been injured owing to fire from aeroplanes have not been verified."

JOHNSON

793.94/4836 : Telegram

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

SHANGHAI, March 19, 1932—3 p.m.
[Received March 19—7:42 a.m.]

My March 15, 10 a.m., and March 18, 7 p.m.[11]

1. Shigemitsu and Kuo met at 10 a. m. today in the presence of American, British, French and Italian chiefs of mission to discuss draft of agenda quoted in my telegram above referred to. After some discussion meeting adjourned at 12 noon to enable Lampson, Teichman and myself, to put on paper the results of our discussions in the form of a more complete agenda. These results will be laid before Shigemitsu and Kuo at 4 o'clock this afternoon and will be telegraphed later.

2. Taking up items of agenda one by one it was substantially agreed: Item 1, Chinese military will define line now and any doubt will be resolved by inspection of line by military attachés of friendly powers. Item 2, Shigemitsu dwelt at some length upon lack of physical accommodations within Settlement limits and Hongkew salient for large number of Japanese soldiers now here; pointed out that large concentrations of munitions and supplies at railroad landing near Woosung Village necessitated retention of the place for accommodation Japanese troops temporarily.

Pressed by Kuo to indicate length of time troops would be held in that area Shigemitsu refused to commit himself, insisting this was a matter to be settled by military. Kuo suggested neutral commission fix time but Shigemitsu insisted military must not be bound as to movement and disposition Japanese troops. It was distinctly intimated in Shigemitsu's stand that Japanese military would hold troops here until Japan was satisfied that boycott had ceased and all anti-Japanese [activities?] had been suppressed although he did not say this in so many words. At this point Kuo stated that while matter was not subject to discussion he wanted to say that Mayor's letter of January 28th was still valid.

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[11] Latter not printed.

Upon this Shigemitsu apparently agreed that separate note quoted in my March 15, 10 a.m., could be dropped. Shigemitsu stated very earnestly that he hoped that it would be possible for Japanese forces to leave very soon. Finally it was agreed military attachés of friendly powers might certify first necessity for a reinstatement Japanese troops at points outside Settlement areas.

Shigemitsu indicated a desire on the part of the Japanese to make some kind of arrangement for the maintenance of order in evacuated area. Kuo stated that Chinese were already prepared to bring specially trained police from areas unaffected by military activities of Japanese to take over policing of areas around Settlement. Shigemitsu referred to paragraph II of League's resolution of March 11th. We pointed out that League request was contingent upon necessity of outside help and both Lampson and I stated that presence of specially trained Chinese constabulary in area mentioned seemed to us to meet the situation. Shigemitsu stated that he raised the question because his nationals were afraid and it was necessary to do something to help allay their feelings.

(In this connection I desire to point out that Japanese are not safe on the streets of the International Settlement in sectors guarded by British and American troops. We have had to warn them to keep within doors as several have been mobbed and killed or seriously injured by the Chinese. Neither Lampson nor I wish to be made responsible for the safety of the Japanese lives within evacuated areas where feelings of Chinese have been exacerbated to a very high degree by the way in which Japanese military have dealt with civilian population. We are prepared to work out some plan that will aid in liquidation of present military situation but I think that it will be unreasonable for Japanese to expect us to guarantee safety of Japanese lives within evacuated areas).

3. Shigemitsu indicated that Japanese intended to leave negotiations entirely in the hands of military. Sir Miles and I insisted that whatever agreement was reached should be made between civilians as well as military. Shigemitsu is seeking new instructions in regard to this.

JOHNSON

793.94/4836 : Telegram

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

WASHINGTON, March 19, 1932—2 p.m.

110. For the Minister. Department's No. 103, March 17, 1 p. m. and your March 19, 3 p. m.

1. The question of possible assistance toward liquidating the military situation at Shanghai has been discussed in this Department's telegram under reference. Prior to the receipt of information from you that definite steps are in progress toward that objective, officers of the Department were working on a draft of a project in reference to problems which might need to be discussed in order to insure withdrawal by the Japanese and for the regulation of the situation after their withdrawal. I now send you an outline of this project in order that you may have the benefit of and may use as your own any suggestions therein which in the course of the negotiations you may find helpful. Please understand that I do not offer this project as a formal recommendation or desideratum of the Department and that in sending you an outline thereof it is not my thought to interfere or even to suggest the adoption of any of these ideas as a formula for the solution of the problems involved at Shanghai, which can only be worked out by yourself and your colleagues who are in touch with the details of the local situation.

2. For your guidance, please also understand that my views as to the limited scope of the conference provided for in the Assembly resolution of March 4 as reported to you in my 77, March 5, 9 p.m.[12] and my 82, March 8, 6 p.m., are unchanged, and, as previously stated, I do not understand that they differ from the Assembly's own interpretation. As pointed out in paragraph 2 of my 82, March 8, 6 p. m., I have always felt that in spite of the limited scope of this conference the question of safety and order in the evacuated areas could not be avoided. A reading of the debate in the Assembly at the time of the passage of the resolution indicates, moreover, that, although the Assembly definitely rejected the Japanese proposal that the conference should discuss "conditions" of withdrawal, they had in mind to exclude discussion of conditions in a broad or political sense but not to exclude discussion of measures really pertinent to the problem of protection of lives and property of Japanese and other foreigners. It is true that Yen made the statement quoted in your March 14, 2 p. m. regarding his interpretation of the resolution and that no other delegate commented upon it. On the other hand, the following colloquy between Sato and Hymans, the President of the Assembly, quoted from the minutes of the Assembly meeting on March 4,[13] as transmitted to the Department, will perhaps help to clarify in your mind the meaning of the resolution:

"Sato immediately announced that he would accept paragraphs 1

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[12] *Foreign Relations*, Japan, 1931–1941, vol. I, p. 209.

[13] For minutes of meeting of the General Commission, see League of Nations, *Official Journal*, Special Supplement No. 101, vol. I, pp. 38–43, particularly pp. 41–42.

and 2. With regard to paragraph 3 he proposed that the final half of that paragraph should read 'for the conclusion of arrangements which shall render final the cessation of hostilities and regulate the conditions and the details concerning the withdrawal of the Japanese forces and the future situation of the Chinese forces'.

He emphasized that arrangements should be made to settle not only the details of Japanese withdrawal but also the conditions of that withdrawal. He considered that the reference to the future situation of the Chinese forces was in keeping with the announced Japanese policy to withdraw as soon as security is restored in Shanghai.

To this Hymans replied 'There is a very considerable difference between the amended treaty and the text as it is before you because "conditions" implies an event by which withdrawal is conditioned. That, I gather, is the meaning of M. Sato's amendment, but that was not the intention of those who drafted this text. We referred to the technical details of withdrawal whereas "conditions" might imply political conditions and therefore it altogether changes the meaning of the text'.

Sato responded that while Japan did not wish to hamper the present efforts it is only by taking into account all the prevailing circumstances on the spot that it will be possible to decide upon the details of withdrawal. He explained that 'conditions' meant the maintenance of security and protection for the lives and property of Japanese nationals.

Hymans expressed the view that there was only a slight difference between the text proposed by the Bureau and the text as amended by the Japanese in view of Sato's explanation. He considered that conditions concerning security would naturally be provided for and included in the arrangements which are referred to in the Bureau's draft to 'render definite the cessation of hostilities and regulate the withdrawal of the Japanese forces'.

Sato, after recalling that the Japanese attended this Assembly with certain reservations regarding the application of Article 15 announced that following the interpretation which the President had given of the resolution the Japanese delegation 'can accept the text, that is to say, we raise no obstacle to its acceptance by the Assembly.' "

3. The outline of the project prepared in the Department and referred to above is as follows:

"The Chinese national authorities shall, pending a settlement of the major issues between China and Japan, give undertakings:

(*a*) That any person or persons subject to Chinese jurisdiction carrying on within the area of the Municipality of Greater Shanghai (including the International Settlement and the French Concession), by means of violence or by means calculated to incite violence, anti-Japanese or other anti-foreign agitation shall be prosecuted by the appropriate authorities within the areas referred to before the appropriate tribunals under the applicable provisions of the Chinese Criminal Code, particularly the applicable sections of Chapter III, Offenses Against Friendly Relations with Foreign States; Chapter VII, Offenses Against Public

Order; Chapter XI, Offenses Against Public Safety; Chapter XXV, Offenses Against Personal Liberty; and Chapter XXXVI, Mischief.

(*b*) That if in the process of judicial decision existing provisions of Chinese law are found to be insufficient to prevent the use of violence or means calculated to incite violence in anti-Japanese or other anti-foreign agitation, the Chinese Government shall immediately promulgate adequate remedial legislation for application within the areas referred to in (*a*) above.

(*c*) That the Chinese judicial authorities administering Chinese law within the areas referred to shall be instructed to enforce strictly the provisions of the applicable laws.

(*d*) That no official assistance or encouragement of any sort shall be given to any violent anti-Japanese or other anti-foreign agitation within the Municipality of Greater Shanghai.

(*e*) That the administration of the Chinese area of the Municipality of Greater Shanghai shall be turned over completely to the Chinese civil authorities functioning within that area under the leadership of the Mayor.

(*f*) That no Chinese military forces whatsoever shall be brought within the area of the Municipality of Greater Shanghai except such limited number of Chinese troops as the Mayor of the Municipality of Greater Shanghai may, for some specific purpose of emergency and for a limited period, be permitted to bring into that area with the consent of the majority of the members of the Consular Body at Shanghai, provided always that if any irregular Chinese military forces not under the control of the Chinese national authorities attempt or there is reason to believe that any Chinese troops will attempt to enter the said area without the permission referred to, the Consular Body at Shanghai, in consultation with the interested Legations, the foreign defense commanders and municipal authorities at Shanghai, may upon their own initiative, after informing the Chinese national authorities if that be possible, take such steps as may be necessary to prevent such entry.

The Japanese Government shall, when the above undertakings of the Chinese national authorities have been given, give undertakings:

(*a*) That the Japanese military forces shall immediately be withdrawn from the Shanghai area except such number in the International Settlement and in the extra-Settlement road areas as may be necessary to enable Japan to cooperate with the other foreign defense forces at Shanghai in the protection of the Settlements.

(*b*) That the Chinese areas occupied by Japanese troops since January 28, 1932, shall immediately be handed over to the appropriate Chinese authorities.

(*c*) That the areas of the International Settlement and its extra-Settlement roads and properties occupied by Japanese troops since January 28, 1932, shall be immediately handed over to the authorities of that Settlement in order that those authorities may resume their normal functions therein."

4. You will note that certain portions of (*a*), (*b*), (*c*) and (*d*) of the above project deal with the question of violent boycott methods. I still believe that the boycott question in general is appropriate only to a conference in which Sino-Japanese relations as a whole are discussed, including Manchuria. As a practical matter, however, I realize that the subject of violent boycott demonstrations at Shanghai can with difficulty be excluded from the conference immediately proposed, and in view of the fact that violent boycott disturbances in the Municipality of Greater Shanghai might react unfavorably on the peace and order of the Settlements, there would seem to be justification for our approval of measures such as are suggested in this project (I understand that the Mayor of Greater Shanghai did, on January 28, 1932, agree to meet certain Japanese demands in regard to anti-Japanese boycott activities).

5. You will also note that the question of preventing contact between the Chinese and Japanese armies during withdrawal is not covered by this project but is covered in paragraph 3 of my telegram under reference.

6. Understand clearly that the material above is sent you purely for purposes of information, suggestion and guidance, and in no sense by way of specification or express direction as to action which you shall take. Keep in mind the principle that this Government does not desire to take and does not desire that you take any initiative toward any broadening of interpretation of the League's Resolutions.

CARR

793.94/4838 : Telegram

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

SHANGHAI, March 19, 1932—11 p.m.
[Received March 20—12:58 a.m.[14]]

My March 19, 3 p.m.

1. Please consider following text and comments as confidential as both Japanese and Chinese have accepted them at [*ad?*] *referendum.*

2. Shigemitsu and Kuo met at 4 p. m. in the presence of British Minister, French Minister and myself and Italian Chargé d'Affaires. It is proposed to have further meeting when both delegates have received their instructions.

3. "Draft of March 19, 1932. It is agreed that the cessation of Sino-Japanese hostilities shall be rendered definite and the withdrawal of the Japanese forces shall be regulated in accordance with the following provisions:

[14] Telegram in two sections.

(1) The Chinese troops will remain in their present positions pending later arrangements. The Chinese authorities will define said positions. In the event of doubts arising in regard thereto the positions in question will be ascertained by representatives of the participating friendly powers.

(2) The Japanese troops will withdraw to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of January 28, 1932. It is however understood that in view of the numbers of Japanese troops to be accommodated some will have to be temporarily stationed in localities adjacent to the above-mentioned areas. The Japanese authorities will define the said localities. In the event of doubts arising in regard thereto the localities in question will be ascertained by representatives of the participating friendly powers.

(3) The Joint Commission including members representing the participating friendly powers will be established to certify mutual withdrawal. This Commission will also collaborate in arranging for the transfer from the evacuating Japanese forces to the incoming Chinese police. The constitution and procedure of this Commission will be composed of 12 members, namely, 1 civilian and 1 military representative of each of the following: the Chinese and Japanese Governments and the American, British, French and Italian heads of mission in China being the representatives of the friendly powers assisting in the negotiations in accordance with the resolution of the Assembly of the League of Nations of March 4. The members of the Joint Commission will employ such numbers of assistants as they may from time to time find necessary in accordance with the decisions of the Commission. All matters of procedure will be left to the discretion of the Commission whose decisions will be taken by majority vote, the Chairman having a casting vote. The Chairman will be elected by the Commission from amongst the members representing the participating friendly powers.

Agreed minute or separate voluntary declaration by the Chinese Government.

In order to ease the general situation and to secure the prompt reestablishment of stable and normal conditions in the affected areas the Chinese Government hereby intimate their intention immediately to establish on their own initiative for the maintenance of peace and order in the evacuated area in the vicinity of the Shanghai Settlements a force of special constabulary for which they contemplate the employment of foreign officers and instructors. It is understood that the incoming Chinese police, referred to in the penultimate sentence of paragraph 3 of the agreement for cessation of hostilities, of blank date, will be drawn from the above special constabulary."

4. By way of comment: An attempt was made in item 2 of agenda to arrange for some time for Japanese withdrawal. Shigemitsu refused categorically to accept any stipulation that might limit stay of Japanese troops stating that while he was willing to express the desire of his Government to withdraw its troops at an early date we must accept his word to that effect as Japanese military must be allowed

to decide for themselves when it was wise to withdraw. In connection with item 3 Kuo made objection to inserting any agreement in reference to establishment by Chinese of a specially organized police. It was finally agreed that he should refer to his Government the question as to whether the item marked "agreed minute" should stand as an agreed minute of the conference or become a voluntary declaration by the Chinese delegate.

5. Shigemitsu in this connection while expressing approval of establishment of special constabulary similar to constabulary used in Peking raised question of maintenance of order in interval between evacuation and taking over by Chinese forces. He suggested to [*the?*] use of neutral patrols saying Japanese population in area (and he refers specifically to Chapei immediately adjacent Hongkew salient) were fearful and that he desired that some practical measures be taken to allay their fears. I objected to the use of neutral patrols for police work suggesting that responsibility should be placed squarely upon shoulders of Chinese with as little delay as possible. Shigemitsu suggested the use of Settlement volunteers but Lampson and I objected to this. Neither French Minister, British Minister nor I, and we believe our military agree with us, wish to use our national forces for police purposes in any part of the evacuated area. It may become necessary to offer some kind of patrol to supervise turning over process but if so we have nothing to offer at present. However I am certain that Japanese will continue to insist upon use of some kind of neutral patrol before they will agree to evacuation.

6. It is not expected that there will be a further meeting before Monday.[15]

JOHNSON

793.94/5013

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

No. 8171 SHANGHAI, March 19, 1932.
[Received April 9.]

SIR: I have the honor to report the following incident of the mistreatment of a Chinese pastor of a Christian church by Japanese marines on January 29, 1932. This man, with his wife and son, nephew, secretary and two men servants, were seized by the Japanese on that day and up to the present time, despite efforts of their foreign friends and representations made by the Consular Body, no trace of

[15] March 21.

any of them has been found. The supposition is that they have been killed. This is of course not an isolated case but was repeated probably numberless times during the first few days of hostilities, and later. The fact that the Chinese pastor had a large number of foreign friends is the reason for this particular case being given the prominence which it has received.

The facts of the case are briefly as follows: The Fitch Memorial Church is a Chinese self-supporting institution, built about six years ago, partly with American funds. The pastor of this church was Chiang Shih-hsu. According to statements of eye witnesses, on the afternoon of January 29th Mr. Chiang and his family, together with several other Chinese, were in the church manse which adjoins the church building. The group numbered nine men, twelve women and nine children. At about 4.15 some fifty Japanese marines and civilians entered the premises and after striking the pastor and his wife took them away, together with six others, to an unknown destination and they have not been heard of since. The remainder of the group remained in the place all night under a guard of Japanese.

The matter was first brought to my attention on February 9th, by the Reverend A. R. Kepler of the Church of Christ in China. I informed the Consular Body and we communicated with the Japanese Consul General on the subject. He informed me, under date of February 28th, that while it was true that a party of Japanese naval forces and civilians had entered the manse of the Church in search of snipers, the other statements were denied by the naval authorities, and that the Consul General had no information regarding the pastor and his family.

There is enclosed,[16] as of interest to the Department and the Legation, a copy of Senior Consul's circular No. 73, circulated on February 20th, containing a copy of the Senior Consul's letter to the Japanese Consul General on that day, with enclosure; a copy of Senior Consul's circular No. 117 of March 7th, containing a letter to the Senior Consul from Mr. George A. Fitch, General Secretary of the Foreign Young Men's Christian Association; and a copy of Senior Consul's circular No. 120 of March 7th containing a reply to the Senior Consul from the Japanese Consul General dated February 28th. The enclosures to circulars Nos. 73 and 117 containing the accounts of eye witnesses to the affairs.

According to Mr. George A. Fitch, who also took up the question with the Japanese Consul General, the reason for Mr. Chiang's arrest appeared to be that in the school connected with the church the children had previously been singing anti-Japanese songs and this fact had been reported to the naval authorities by Japanese living in that

[16] Enclosures not printed.

vicinity. Whether this is true or not, I have no means of verifying but if true, it illustrates very well the utter ruthlessness of Japanese action on the flimsiest provocation. Certain it is that other and equally outrageous acts were committed by the Japanese with no more excuse than in this case.

Respectfully yours, EDWIN S. CUNNINGHAM

793.94/5255

Memorandum by the Minister in China (Johnson) of a Conversation With the Chinese Vice Minister for Foreign Affairs (Quo) [17]

SHANGHAI, March 20, 1932.

Mr. Quo Tai-chi called at 7 p.m. He said that until yesterday he had not realized that we were discussing the terms of an agreement. He had assumed that the items under discussion represented items in an agenda to be used at a formal meeting. I told Mr. Quo that, while it was true that the items which we had discussed were intended to be an agenda to be used in a formal negotiation, we hoped that these items might become the terms of a formal agreement.

Mr. Quo stated that at the next meeting he would have to take a firm stand to the effect that we were arranging for the withdrawal of Japanese troops and that agreement must show something to that end. He said that malcontents both in and out of the Party [18] were attempting to exploit the situation at Shanghai for their own ends. He intimated that he had talked very frankly about this to Mr. Sun Fo, pointing out that it was obvious that Mr. Sun Fo and his group were not in any position to force the Japanese to leave by superior strength, and that therefore it was necessary for them to discuss the matter with the Japanese. In order to disarm these critics Mr. Quo stated that he would have to insist that the terms upon which we were to agree would contain some proposition specifically calling for the withdrawal of the Japanese in line with the terms of the League's Resolution of March 4th. Mr. Quo referred to the matter of the use of the "pao an tui" or constabulary and said that they wished to make this "pao an tui" a permanent thing at Shanghai; otherwise radical agitators among his own people would make use of the fact to embarrass the Government.

Mr. Quo seemed quite wrought up and very much discouraged. He pointed out that he yielded to no Chinese in his attitude as a revolutionary; he had always been a revolutionary; he could talk as high as

[17] Copy transmitted to the Department by the Minister in China in his despatch of April 12, 1932; received May 21.

[18] The Kuomintang.

the best of them. The only reason he was acting now as the Government's representative was that he had been requested to act by his lifelong friend, Mr. Wang Ching-wei. He felt that his status was that of a public slave, rather than that of a public servant. He referred to the fact that a mob had visited his house. He said that many had argued that he should never settle with the Japanese; that all negotiations should be broken off and none entered into with the Japanese until they had withdrawn all their troops; otherwise they were in the position of a conquered people negotiating with their conquerors. He expressed the fear that the British and Japanese are getting together; that the Japanese had intrigued to get the League Commission to visit Hankow. On the other hand, the League Commission had suggested a delay at Shanghai. He could not understand why the League Commission did not proceed upon its journey, in view of the fact that Japanese were utilizing the time wasted by the League Commission in consolidating their position in Manchuria.

NELSON TRUSLER JOHNSON

793.94/4840 : Telegram

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

SHANGHAI, March 21, 1932—10 a.m.
[Received March 21—5:55 a.m.]

Japanese Military Attaché informs our Military Attaché that the Japanese will request to hold a line running from Paoshan-Yanghang-Tachang to the northwest corner of the International Settlement for the purpose of giving depth to the area held by some 37,000 Japanese troops. This does not coincide with statements made by Shigemitsu (see my March 19, 3 p. m.) and would indicate intention of Japanese military to remain here more or less indefinitely. The Chinese intimate they will insist that the negotiations here arrange for complete withdrawal of Japanese in accordance with League resolution of March 4th.

JOHNSON

793.94/4842 : Telegram

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

SHANGHAI, March 21, 1932—9 p.m.
[Received March 21—1:10 p.m.]

My March 19, 11 p.m.

1. Shigemitsu and Quo met at 4 p. m. today in the presence of British Minister, myself and Italian Chargé d'Affaires. French Min-

ister was ill and represented by Secretary of Legation. They agreed to accept in principle draft of March 19th to be used as a base for formal negotiations, military on each side participating, now set for Wednesday, March 23, 10 a. m.

2. At the meeting today Quo insisted that League resolution of March 4th requires that he and Shigemitsu with the assistance of friendly powers negotiate to regulate withdrawal of Japanese troops and to that end he desired to insert at the beginning of paragraph 2 and before the word "the Japanese troops" the following words "in accordance with the definite program regulating withdrawal as shown in annex (blank) to this agreement". Shigemitsu objected strenuously to this but finally consented to refer the matter to his military saying his military would insist upon being consulted as to the program.

3. With reference to text of agreed minute Quo insisted that words "for which they contemplate the employment of foreign officers and instructors" be omitted saying that at this time it would be very difficult for them to make a promise of this kind although he was willing to make the Mayor promise privately and would be glad if we took note thereof. After much discussion I suggested that the word "foreign" be omitted and the words "experts as" to be substituted therefor, it being additionally suggested that we all make the following note for our own and our Governments' confidential information. "In discussing this phrase Quo intimated that the Chinese Government contemplated employment of foreigners among the experts in question". Quo accepted this version for reference to his Government and it is hoped that both parties will have received instructions on these two points by Wednesday.

4. Shigemitsu declared that he had participated in negotiations and had accepted texts as basis for formal negotiations at which his military would have to be present as principals. He argued that this was necessary because matter being discussed was an armistice and should of necessity be settled between the military. It was agreed that on Wednesday, March 23rd, a formal meeting would be held at which the Japanese would be represented by General Uyeda and his chief of staff General Tashiro and Shigemitsu accompanied by two interpreters. The Chinese will be represented by General Tsai Ting-kai accompanied by General Gaston Wang, Mr. Quo Tai-chi and an interpreter. They are to meet in our presence as heretofore.

5. With reference to your telegram 103, March 17, 1 p. m., and 110, March 19, 2 p. m., I am hopeful that the situation is developing in such a way as to make it unnecessary for us to follow any plan such

as that suggested by the Department. The feeling among the Chinese is such that it would not in my opinion be wise for us to take the initiative in suggesting any plan which would call for permanent undertakings on the part of the Chinese in regard to the presence of Chinese soldiers. However, I shall keep plan in mind and watch developments here and should occasion warrant make such use of it as seems to me wise, not however without first informing the Department. Lampson and I hope that it will be possible to maneuver the negotiations into a position where participation by friendly powers will be on the smallest scale possible.

JOHNSON

793.94/4844 : Telegram

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

SHANGHAI, March 22, 1932—8 a.m.
[Received March 22—3:05 a.m.]

Situation report No. 12, March 21st:

"1. Embarkation of 11th Division for Japan begins today. Movement is expected to be completed by 22nd.
2. On completed departure of this Division there will still be approximately 37,000 Japanese troops remaining."

JOHNSON

693.002 Manchuria/14 : Telegram

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

SHANGHAI, March 22, 1932—11 a.m.
[Received March 22—5:49 a.m.]

My March 10, 11 a.m.[19]

1. I am informed by the Minister of Finance that his Ministry is in receipt of increasing evidence of an intention on the part of the newly set-up régime in Manchuria styling itself the Manchukuo to take over the customs régime in Manchuria thus severing the last link between Manchuria and China. While it is true that the so-called Manchukuo authorities undertake or promise to contribute their share to the foreign obligations of the Government of China they will refuse to bear any share in domestic loan obligations charged in [*on?*] the customs. They propose to control all staff and tariff rates and it is

[19] Not printed; for substance, see Department's telegram No. 88, March 11, 1 p.m., to the Chargé in Great Britain, p. 562.

believed that a proposal for a customs union between the Manchukuo régime and Japan which may be brought about will mean abolishment at least of export duties on products leaving Manchuria for Japan.

2. I am confident that none of these measures can be accomplished without encouragement from the Japanese Government. In view of the attitude which the American Government and the League have adopted toward the Sino-Japanese situation I wonder whether the Department will not find it consonant with its policy to make representations at Tokyo with a view to persuading the Government of Japan to discourage any movement against the integrity of the customs which is today the foundation of China's credit and the sole basis for the settlement of China's unsecured and inadequately secured foreign and domestic indebtedness and which would result in severing the last link between that area and the rest of China.

3. The way to such representations is open due to the fact that the Japanese Government has on numerous occasions given assurances that it had no political or territorial ambitions in Manchuria and has by the Nine-Power Treaty pledged itself to respect the administrative and territorial integrity of China. Furthermore, Japan as well as China have by accepting the resolutions which have been adopted by the League undertaken not to do anything which would aggravate the situation.

4. It should be remembered that this case is in no wise similar to situation which arose in Canton[20] and Tientsin[21] where attempts were made to seize the customs. In those cases the party attempting to seize the customs hoped to succeed to the Government of China, in this case the Manchukuo is a secessionist government expecting to separate itself entirely from the Chinese Government.

Repeated to the Legation.

JOHNSON

893.01 Manchuria/63 : Telegram

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

PEIPING, March 22, 1932—1 p.m.
[Received March 22—3:05 a.m.]

361. Following from Reuter, Tokyo, March 21st:

"Acknowledging the Manchurian government's note of March 12th but making no reference to the question of recognition, the Japanese Government today sent a communication through the Japanese Consul

[20] *Foreign Relations*, 1924, vol. I, pp. 409–416.
[21] See *ibid.*, 1930, vol. II, pp. 223–274.

at Changchun welcoming the new state's declared policy of the open door, equal opportunity and respect for existing treaties."

For the Minister:
PERKINS

793.94/4917

Memorandum by the Under Secretary of State (Castle) of a Conversation With the Japanese Ambassador (Debuchi)

[WASHINGTON,] March 22, 1932.

As the Secretary was ill the Ambassador came to see me. He said that, as he had told the Secretary,[22] Japan was withdrawing about half the troops in Shanghai. He thought most of them were on their way home already. He said, further, that on March 20th orders were given to have five cruisers, sixteen destroyers and two airplane carriers in Shanghai returned to Japan; Admiral Nomura will be left in command and the Ambassador said that Admiral Nomura's flagship is the only ship beyond the number Japan had in Shanghai before the trouble occurred.

He spoke of the necessity of patrolling the evacuated zone by competent Chinese police and referred to a talk he had had the other day with the Secretary as to the instruction of further constabulary by foreigners, very much as we had done in Nicaragua. He seemed to think that some such plan as this would be very useful. The Ambassador said he had heard that a certain number of police were to be brought to Shanghai from Peiping, police who used to be, at least, very efficient. The Ambassador said that he thought eventually it would probably be considered wise to establish a neutral zone around the International Settlement, although he admitted that this would probably raise complications with the Chinese on the ground of sovereignty. I told him that this was a question which I could not possibly discuss with him, but that it seemed to me that the Chinese contention had validity. He said that there were a great many Americans and English in the Settlement who would welcome such an arrangement as making the zone safe. I said that the foreigners in the Settlement had, in general, been safe in any case and that recently they would have been safe had it not been for the Japanese military offensive.

The Ambassador spoke of the fact that they were not going immediately to recognize the new regime in Manchuria and talked about various aspects of the situation.

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[22] See memorandum by the Secretary of State dated March 15, 1932, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 214.

He left with me, herewith attached, a copy of a speech made today in the Diet by Mr. Yoshizawa.[23] The interlinings in the speech were made by the Ambassador, as indicating parts which he thought important.

W. R. CASTLE, JR.

393.11/1498 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, March 23, 1932—11 a.m.
[Received March 23—10:10 a.m.]

70. My 32, February 5, 10 p.m.

1. American citizens who evacuated Nanking in consequence of the advice issued by the Consulate General on February 5 have been away more than 6 weeks and some are beginning to return on their own responsibility while others are pressing this office for some definite advice regarding advisability of return. At meeting convened March 22, 9 p.m., representative American citizens agreed with the officers of the Consulate General in the tentative opinion that there is now less probability of Chinese-Japanese hostilities in the Chinkiang-Nanking area; that negotiations for a truce may be indefinitely protracted; and that the time has come for each American organization and individual to decide upon a course of action adapted to a situation, which while still precarious, no longer has the character of a purely temporary emergency.

2. Several days ago the last naval vessel left Chinkiang and three Japanese destroyers left Nanking. Only two Japanese cruisers now remain at Nanking. Some persons attribute the departure of Japanese naval vessels from Shanghai and the lower Yangtze to the desire of the Japanese to make a good impression on the League Commission. Nevertheless, the immediate Japanese naval threat in this area has been removed and I have consented to the departure of one of the two American destroyers here. There remains the danger inherent in the presence of large bodies of miscellaneous Chinese troops between Chinkiang and Shanghai but the conclusion of the conference yesterday was that this situation as well can hardly be regarded as a temporary emergency and should be taken into consideration by American citizens individually in making more or less permanent plans for the future.

3. I informed the representatives of the American community yesterday that I wished to await the results of the Chinese-Japanese con-

[23] Not printed.

ference in Shanghai today before issuing any message (my advice of February 5). They assent to this. If the conference at Shanghai today makes it seem probable that there will be a prolonged deadlock between the Japanese and the Chinese with nevertheless little probability of hostilities in the Nanking Consular District, it is my intention to issue a statement to the American citizens in Nanking somewhat as follows:

"On February 5th the American Consulate General at Nanking issued a statement pointing out that fighting between the Chinese and Japanese was then continuing with undiminished intensity and that if hostilities should spread to larger areas it might become increasingly difficult to leave Nanking, should an emergency require such measures. There have been no serious hostilities in the Shanghai area since approximately March 3rd. Nevertheless, no formal truce has been agreed upon and the Consulate General would not feel justified in expressing the opinion that an entirely normal situation had been restored.

Early in February approximately 120 persons or two-thirds of the American community in Nanking left the capital. Their continued absence is the cause of considerable inconvenience to all concerned and in some cases important enterprises are seriously [apparent omission] Chinese.

Under these circumstances the Consulate General believes that each American organization and individual should decide upon a course of action adapted to the circumstances of each case, remembering that a return to Nanking at this time may be attended by the risk of having to leave again should the political situation fail to return to a normal basis."

Repeated to the American Legation and to the American Consul General at Shanghai for the information of the American Minister.

PECK

693.002 Manchuria/16 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, March 23, 1932—1 p.m.
[Received March 23—9:35 a.m.]

115. My 111, March 16, 5 p.m. In the House of Commons last evening the Foreign Secretary spoke on Far Eastern situation. The following is a part summary.

The House probably knew that the administration of Chinese Maritime Customs was an exceedingly important matter, not only for China but for others also because the Chinese customs were, to a certain extent, charged with the liability of paying off foreign loans. England should, as Sir John thought other countries would also, take the

gravest and most serious notice indeed of any suggestions that the customs service of China was going to be so dealt with as unfairly to prejudice the undoubted rights which various foreign interests had over customs which were charged with the repayment of loans. . . .[24] We are parties to the Nine-Power Treaty and it is of the gravest importance that we should see to it that we do not encourage or countenance what might be a disregard or violation of China's territorial administration. At the same time there is no law and there is no common sense in that. In no conceived circumstance can there ever be a subdivision of any enormous area like China, for as a matter of fact the rising up in this province or that of an administration claiming to have a certain amount of independence is by this time a commonplace in Chinese matters. . . .[24] There could be no recognition of the new administration in Manchuria without the fullest inquiry. It was quite manifest that we ought to wait, and that League of Nations must wait for the report of its Commission which was appointed by the authority of both Chinese and Japanese.

In concluding and with special reference to the labors of the League of Nations in the Far Eastern situation Sir John stated:

"There was the tremendous question of whether the policy which Britain pursued at Geneva could be so conducted as to earn and secure the sympathy of the United States . . .[24] the United States had recognized the declarations which the Assembly made were in the spirit and along the lines the United States would like to see adopted."

ATHERTON

693.002 Manchuria/19 : Telegram

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

WASHINGTON, March 23, 1932—2 p.m.

112. For the Minister. Your March 22, 11 a.m.

1. On March 11 the Department telegraphed the Embassy at London the substance of your March 10, 11 a.m.,[25] with instructions to ascertain whether the British Foreign Office had similar information and whether in the event that the régime in Manchuria should attempt to assume full control of the customs service, the British Government would be willing to join in concurrent action in the form of objections and reservations to be filed simultaneously by the British and Ameri-

[24] Omission indicated in the original.
[25] Latter telegram not printed.

can representatives at Tokyo and at Nanking and by their consular offices in Manchuria.

2. Under date March 12 the Embassy at London reported that the Foreign Office had received information corresponding with the information telegraphed by you in your March 10, 11 a.m., but that the Foreign Office could give no considered opinion before consultation with Sir John Simon who was then at Geneva.

3. From paragraph 1 above, you will observe that the Department desires to act in the matter but is seeking, before doing so, to ascertain what, if any, action the British Government is disposed to take. This being the case, before taking another step, the Department desires that you inform the British Minister of the substance of your telegram under reference and of paragraphs 1 and 2 above and inquire of the British Minister what views he holds and whether he would be willing to inform you regarding correspondence between himself and his Government on the subject.

4. Please report by telegram promptly.

STIMSON

893.102 S/1017 : Telegram

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

SHANGHAI, March 23, 1932—5 p.m.
[Received March 23—9:35 a.m.]

196. The municipal election concluded yesterday resulted in the reelection of two Japanese members, one American, two British and the election of four new members, three British and one Danish. Notwithstanding the implication contained in the request of the British 2 years ago that the Americans should limit their nominations to two members who would be endorsed by the entire community, only one American was elected. Carney who has shown himself to be one of the most conservative, businesslike, and broad-minded of the members of the Council, failed reelection. The result of the election is very important in that those elected are known to be sympathetic to any proposal that would result in the extension of the Settlement independent of the present Sino-Japanese conflict and emphatic in their belief that the present is an opportune moment for the extension of the Settlement. The vote so clearly indicates the degree of the recognition of such a view, as the Japanese head the list in the number of votes received, Arnhold following with the next largest vote and so on. It would not be surprising if early in its administration the present

Council would bring about an embarrassing situation to the powers concerned.

2. Representatives of the American community, with the approval of Raven, the American member elected, have inquired whether they should not convene a meeting of the American community and leave to such a meeting the question as to whether Raven should not resign as a protest against the failure of the British rate payers to elect the two members which has impliedly been assured the Americans if the candidates had the endorsement of the American community. I am consulting the Minister as to the political effect this may have. I am satisfied the failure of the election of Carney is due to Japanese failing to vote for him though if the British had limited their candidates to five the Dane would have been defeated and the ratio by nationality would have remained the same as in the past.

Repeated to the Legation, copy to the Minister.

CUNNINGHAM

893.102 S/1020a : Telegram

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

WASHINGTON, March 23, 1932—6 p.m.

114. For the Minister. Shanghai's 196, March 23, 5 p.m., paragraph 2. The Department is of opinion that neither you nor the Consul General should give any encouragement to the proposal that Raven resign as a protest against the outcome of the municipal elections, as such action on his part might add, at a most inopportune time, another complication to the present difficult situation at Shanghai. Inform Cunningham.

STIMSON

693.002 Manchuria/17 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 24, 1932—10 a.m.
[Received March 24—7:44 a.m.]

130. Drummond has circulated the following telegram from the Chinese Government communicated to him by Yen:

"Despite the injunction of the Assembly's resolution for the cessation of further aggravation of the situation Mr. F. W. Maze, Inspector General of the Customs, reports that through the puppet government in Manchuria the Japanese have been proceeding to seize the

customs revenue in Manchuria appointing Japanese advisers and asking that the customs revenue be turned over to the puppet government. They also insist that all appointments to the customs staff in Manchuria and all tariff changes are to be submitted to the puppet government for decision. It is threatened that any refusal to comply will be met by outright seizure of the customs service. Thus the only remaining link of the Three Eastern Provinces with the rest of China is being broken with the following consequences:

(1) While there is pretence at offering the payment of the Boxer Indemnity and foreign loan quotas there will be no payment allowed for meeting domestic loans charged on the customs.

(2) The control of the customs service will have the effect of closing the open door in Manchuria not only to foreign trade but also domestic trade with the rest of China.

(3) We have definite knowledge that the Japanese are arranging a customs union of the Three Eastern Provinces with Japan thus completely severing Manchuria from China and attaching it to Japan."

Yen added that his Government would refuse to recognize the legality of such proceedings if carried out.

GILBERT

793.94/4861 : Telegram

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

PEIPING, March 24, 1932—noon.
[Received March 24—1:55 a.m.]

369. Following from American Consul General [at] Harbin:

"March 23, noon.

1. Several hundred Japanese troops have reached [Anta?] on the west line of the Chinese Eastern Railway ostensibly to fight brigands there. The Japanese military mission has hired 40 local auto busses with Russian chauffeurs to transport Japanese troops from Harbin to be used in fighting brigands in the neighborhood of Imienpo on the eastern line along which old Kirin troops and brigands are giving considerable trouble.

2. Japanese military have not yet been able to arrange with the Soviet management of the railway for the transportation by train of more troops to the East.

3. Soviet management is still sending railway property into Siberia, where military preparations are continually being made.

4. If Japanese troops are posted near the frontier, clashes between them and Soviet patrols are likely to take place at some places such as at Manchouli where the boundary line is poorly defined.

5. Depredations by old Kirin troops and brigands, especially in the region east from Harbin, have practically stripped the country of livestock and seed, so this aside from fear will prevent many farmers from planting this spring.

6. A prominent Chinese official who attended the inauguration of

Pu Yi at Changchun informed me that the cabinet of the new government cannot make any decision without the approval of the Japanese secretary attached to the cabinet."

For the Minister:
PERKINS

793.94/4860 : Telegram

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

SHANGHAI, March 24, 1932—2 p.m.
[Received March 24—5:15 a.m.]

My March 23, 1 p. m.[27]

1. Japanese and Chinese delegates met at 10 a. m. today in the presence of self, Sir Miles, Italian Chargé d'Affaires Count Ciano and Monsieur Baudet representing French Minister who was ill.

2. General Uyeda presented new draft, text of which follows later. Discussion lasted until 12:40 p. m. when adjournment was made until 3 p. m. today.

3. Japanese are insisting on agreement containing reference to gunmen and to cessation of agitation by forces of the two countries. Chinese disclaim all knowledge of activities of gunmen and refuse to consider political questions claiming that discussion must be limited under League resolution March 4th to cessation of hostilities and withdrawal of Japanese troops.

4. Atmosphere friendly but progress will be slow.

JOHNSON

793.94/4864 : Telegram

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

SHANGHAI, March 24, 1932—9 p.m.
[Received March 24—12:30 p.m.]

My March 24, 2 p.m.

1. The following is text of the proposal submitted by General Uyeda on the Japanese side in this morning's meeting:

"Draft agreement for the cessation of hostilities between Japan and China.

The authorities of the Japanese and Chinese Governments have agreed upon and concluded the following agreement:

Article 1. The Japanese and Chinese forces shall cease all hostile ac-

[27] Not printed.

tivities (including activities of plain-clothes men) from (blank) a. m. on March (blank) 1932.

During the cessation of hostilities both the Japanese and the Chinese forces shall refrain from all such actions as may injure the honor of the other or agitate the public sentiment.

Article 2. The Chinese troops will remain in their present positions pending later arrangements.

The aforesaid positions are indicated in annex 1 attached hereto.

Article 3. The Japanese troops will withdraw to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of January 28, 1932. It is, however, understood that in view of the numbers of Japanese troops to be accommodated some will have to be stationed temporarily in localities adjacent to the above-mentioned areas.

The aforesaid localities are indicated in annex 2 attached hereto.

Article 4. A joint commission including members representing participating friendly powers will be established to certify mutual withdrawal.

The aforesaid commission will also collaborate in arranging for the transfer from the evacuating Japanese forces to incoming Chinese police.

The constitution and procedure of the aforesaid commission will be as defined in the annex 4 attached hereto.

Article 5. The Japanese and Chinese forces may carry on reconnaissance by aeroplanes over such points as may be considered necessary in order to watch the performance of the provisions for the cessation of hostilities.

Aeroplanes to be used in the aforesaid recommendations shall bear the following marks, namely: the Japanese aeroplanes (blank). The Chinese aeroplanes (blank).

Article 6. In the event of either of the Japanese or Chinese forces infringing any of the terms of the present agreement the other shall have no obligation to comply with the same agreement.

Article 7. The present agreement shall come into force on the day of the signature thereof.

The present agreement is made in duplicate in both the Japanese and Chinese languages.

Annexes.

The withdrawal of Japanese troops to the localities indicated in annex 2 will be commenced within 1 week of the coming into force of the agreement.

Should there be any invalids or sick horses that cannot be withdrawn at the time of evacuation they may be detained at their positions together with an ambulance corps (accompanied by some guards). The Chinese authorities shall give protection to the above.

The Chinese authorities shall station in the areas evacuated by the Japanese troops a force of special constabulary stipulated in the 2nd paragraph of article 4 of the agreement within (blank) days of the signature thereof.

The joint commission will be composed of 12 members, namely, 1 civilian and 1 military representative of each of the following: the

Chinese and Japanese Governments, and the American, British, French and Italian heads of missions in China being the representatives of the friendly powers assisting in the negotiations in accordance with the resolution of the Assembly of the League of Nations of March 4, 1932.

The members of the joint commission will employ such numbers of assistants as they may from time to time find necessary in accordance with decisions of the commission. All matters of procedure will be granted to the discretion of the commission whose decisions will be taken by majority vote, the chairman having a casting vote. Chairman will be elected by the commission from the members representing participating friendly powers.

Separate declaration by the Chinese Government. To be issued either prior to or simultaneously with the conclusion of the agreement, but not to be annexed to the agreement.

In order to ease the general situation and to secure the prompt reestablishment of stability and normal conditions in the affected areas, the Chinese Government hereby declare their intention immediately to establish on their own initiative, for the maintenance of peace and order in the evacuated area in the vicinity of the Shanghai Settlement, a force of special constabulary, for which they contemplate the employment of experts as officers and instructors.

It is understood that the incoming Chinese police referred to in the second paragraph of article 4 of the agreement (blank) date will be drawn from the above special constabulary."

2. Argument all day on the question of activities of plain-clothes gunmen, Uyeda insisting that this is an important detail in the matter of cessation of hostilities while Chinese General Tai Chi insists over and over that Chinese armies have no connection whatever with the gunmen in plain clothes and refuses to discuss question. Uyeda contends that question of plain-clothes men is one of great importance to the Japanese and there must be some settlement of it in order to make sure of the future.

3. Following new draft of article 1 was offered and will be studied by the Japanese against next meeting:

"The Japanese and Chinese authorities having already ordered cease fire it is agreed that the cessation of hostilities is rendered definite as from (blank). The forces of the two sides will so far as lies in their control cease all hostile acts. In the event of doubts arising in regard to cessation of hostilities, the situation in this respect will be ascertained by the representatives of the participating friendly powers."

4. In afternoon proceeded to discussion of article No. 1 of our old draft and Japanese revision thereof as set forth in article 2 of their draft above quoted. Chinese objecting to the wording as implying a restriction upon freedom of Chinese troops to move within Chinese territory and therefore an infringement of China's sovereignty and her political integrity and contrary to the resolution of the League, Quo

finally asked to be permitted to take following substitute formula home for consideration against the next meeting: "During the cessation of hostilities and pending a final settlement".

5. Meeting adjourned until 10 a. m., March 25th.

JOHNSON

393.11/1499 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, March 25, 1932—11 a.m.
[Received March 25—8:40 a.m.]

71. My 70, March 23, 11 a. m. Telegram from the American Minister to the Department No. 45, March 24, 2 p. m. I have released to American residents of Nanking and to the press the following statement:

"March 25, 1932. On February 5th, 1932, the American Consulate General in Nanking issued a statement to the American community pointing out that fighting between Chinese and Japanese was then continuing with undiminished intensity and that if hostilities should spread to larger areas it might become increasingly difficult to leave Nanking, should an emergency require such a measure. Early in February approximately 120 persons, two-thirds of the American community, left the Capital. Their continued absence is the cause of considerable inconvenience to all concerned and in some cases important enterprises are seriously impeded.

The situation has now changed. There has been no serious hostilities in the Shanghai area for about 3 weeks and on March 24, 1932, negotiations for a truce were opened in Shanghai. While it is apparent that until the truce negotiations have been brought to a successful conclusion there can be no official assurance that normal living conditions have been restored in Nanking, the Consulate General feels that decision in regard to a return to Nanking should now be made by each American organization or individual, in the light of general conditions and of the special circumstances of each case."

. . . . . .

PECK

893.01 Manchuria/71 : Telegram

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

PEIPING, March 25, 1932—1 p.m.
[Received March 25—8:45 a.m.[28]]

374. Following from the American Consul at Harbin:

"March 24, 4 p.m., number 39.

[28] Telegram in two sections.

1. Yesterday new Chinese Eastern Railway flag consisting of a combination of the Manchukuo flag above and Soviet flag below was raised on buildings of railway by order of the Board of Directors. I believe that the Soviet side made a concession in this direction solely in order to avoid local irritation.

2. Reliable reports indicated that conditions are quiet at Manchouli, Hailar and Taheiho but very much disturbed along the east line of the railway and in the region east of Tsitsihar.

3. Fifty auto busses carrying Japanese troops arrived at Pinghsien yesterday and returned last night.

Japanese Consulate General has informed me that Japanese troops are being sent via Pinghsien toward Sanhsing, which is General Li Tsze's base, in order to clear the region nearby of brigands.

4. Japanese troops are now on all branches of the Chinese Eastern Railway and on the Sungari River and are in positions to advance in five directions toward the Siberian frontier, west to the [*sic*] Manchouli, northwest to Taheiho from Tsitsihar and to Lahasusu and east to Pogranihnaya and to Possiet Bay from Korea.

5. As Manchukuo authorities are unable to enforce embargo on export of grain because the frontier towns are not under their control they have requested the Commissioner of Maritime Customs to do so. Latter has requested instructions from Inspector General before deciding to enforce a measure that is aimed by the Japanese against the Soviet officials, who are the only parties exporting wheat and flour. In order temporarily to preserve the integrity of the customs it might be a wise course for the Inspectorate General to authorize the customs officials in Manchuria to allot a certain proportion of their revenue to the new government which Ohashi informs me needs revenue and is looking towards the customs and Salt Gabelle to supply it."

[For the Minister:]
PERKINS

793.94/4870 : Telegram

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

SHANGHAI, March 25, 1932—8 p.m.
[Received March 25—11:25 a.m.]

My March 24, 9 p.m.

1. Meeting resumed today at 10 a. m. with discussion of first sentence of article 1 of draft March 19, "The Chinese troops will remain in their present positions pending later arrangements". Quo stated he could not accept wording if it implies any limitation upon China's freedom to move troops within her own boundaries. Japanese cling to old wording as they apparently do not want to abandon idea of another conference. Matter goes over for the present and they proceeded to definition of Chinese positions.

2. In regard to article 2, draft March 19, Quo stated that text was

acceptable to Chinese side provided following wording inserted at the beginning of article: "In accordance with a definite program regulating withdrawal as shown in annex (blank) to this agreement" before opening words "the Japanese troops will withdraw". After some discussion matter was put over as a question of drafting while they take up program of Japanese withdrawal. Both sides then accepted the first paragraph annex to Japanese draft (my March 24, 9 p. m.) regarding withdrawal, i.e., that the withdrawal begin within a week.

3. Uyeda stated in reply to question when meeting reconvened at 3 p. m. that it would require 6 weeks to complete withdrawal Japanese troops to positions adjacent to Settlement and Hongkew extra-Settlement roads. This time necessary as I understand to enable them to find quarters for troops. Japanese will have approximately 37,000 soldiers to accommodate and want to hold them indefinitely. They have no room for them in the Settlement. (In this connection it is very apparent that Japanese are treating problem as a purely military problem in which considerations of defence are dominant).

4. Quo finally asked Japanese how long it would take to complete withdrawal to Settlement and Hongkew extra-Settlement roads. General Uyeda stated he could not say whereupon argument taken up between Shigemitsu and Quo, Shigemitsu stating that it is impossible for them to give a time for withdrawal. They will withdraw their troops when the situation permits. They hope that this will be very soon. Chinese Minister, however, objected that whole purpose of conference was defeated by this attitude on the part of Japanese as conference was undertaken under League resolution of March 4th which called for cessation of hostilities and the regulation of the withdrawal Japanese troops. The longer the troops are kept here the longer will the situation remain disturbed.

As anticipated in my telegram March 23 [*21*], 10 a. m., reporting information brought to me by the Military Attaché, the Japanese have designated line Szetseling through Yanghang, Tachang to Chenju behind which their forces intend to withdraw. Chinese object to it as covering areas distant from the Settlement and not compatible with the first sentence of paragraph 2 of draft March 19.

5. Meeting adjourned until 10 a. m. tomorrow, March 26th.

6. Quo threatened to break and refer matter to the League and his Government; Shigemitsu pleaded with him to continue meetings while the question of Japanese and Chinese lines be left to a subcommittee composed of General Tashiro, General Gaston Wang and the Military Attachés of Great Britain, United States, France and Italy to meet concurrently. It being evident that the Japanese did not wish to break

I joined Lampson in persuading Quo to meet again in the morning without prejudice to his position on the disputed points.

JOHNSON

793.94/5421

Memorandum by the Minister in China (Johnson) [29]

SHANGHAI, March 25, 1932.

General McCoy told me to-day that the Commission was leaving shortly for the north and that they intended to spend four days in Nanking. The party would divide, one part going to Nanking by way of Hangchow, the other going directly to Nanking by boat.

He said that the program for the Commission was being arranged by the Chinese and that it was not yet certain whether they would go to Hankow, but he thought that they would, as it was desirable that they see as much of the interior of China as might be possible in the short time at their disposal.

They will then proceed to Peiping and afterwards to Manchuria, and he expected that after Manchuria they would return to Peiping and then go once more to Japan for a final investigation of conditions there, returning to China by way of Nanking for a final discussion there before coming to Peiping to make their final report.

I urged General McCoy to persuade the Commission not to make any recommendations in regard to Manchuria. I said to him that it seemed to me the greatest service which the Commission could perform would be to investigate the facts and, after eliminating all extraneous detail, report upon those facts simply and without comment, for I believe that the Commission has before it an extraordinary opportunity to lay before the world a review of certain facts which should guide statesmen in their arrangements for years to come. The way in which the Japanese have handled their problems in Manchuria seems to me to declare in clarion tones that the world is not yet prepared for the kind of international philosophy upon which some of the modern treaties have been worked out. I stated that if the Commission had any recommendations to make I hoped those recommendations would be made in a separate document which could be filed and forgotten, for I was sure that there could be no settlement satisfactory to all sides.

NELSON TRUSLER JOHNSON

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[29] Copy transmitted to the Department by the Minister in his despatch No. 1576, June 14, 1932; received July 16.

793.94 Commission/150 : Telegram

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

SHANGHAI, March 26, 1932—9 a.m.
[Received March 26—2:08 a.m.]

1. General McCoy informed me yesterday that League Commission leaves this morning for Nanking where they will remain 4 days seeing Government leaders. They will then proceed to Peiping perhaps via Hankow where they will spend a few days prior to visiting Manchuria. After visiting every part of Manchuria reachable by present means of transportation the Commission then proposes to visit Japan where they will see leaders once more, pausing in Korea to collect information. They will then return to China to sound leaders here; they hope to spend summer in Peiping or Peitaiho preparing report which they expect to have completed by September.

2. McCoy informs me that he was convinced by what he heard and saw in Japan that whole movement in Manchuria was planned by Japanese military even without information of Shidehara and Prime Minister. I should like to say that my own impression here is that military of Japan are in control insofar as situation in Shanghai is concerned. In negotiations which I am now watching, Shigemitsu is taking a very secondary and unimportant part deferring in all matters to the military who are carrying on the discussions.

Repeated to the Legation.

JOHNSON

693.002 Manchuria/21 : Telegram

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

SHANGHAI, March 26, 1932—10 a.m.
[Received March 26—12:43 a.m.]

Your 112, March 23, 2 p.m.

1. British Minister tells me that he had a talk with T. V. Soong yesterday in the course of which he endeavored to persuade him to permit Maze to reach some working agreement with customs in Manchuria to tide over the situation and keep customs intact. Soong was opposed to any such undertaking saying Nanking's decison was already taken. Soong asked Lampson to urge his Government to make representations at Tokyo which Sir Miles has done pointing out, however, difficulty due to fact that we have no proof of Japanese Government's complicity in customs movement.

2. Lampson's message went only yesterday, he therefore has no knowledge of what his Government will do. He tells me that Lindsay

in Tokyo was somewhat discouraging as to the usefulness of such action.

JOHNSON

793.94/4875 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, March 26, 1932—11 a.m.
[Received March 26—6 a.m.]

72. 1. In the evening of March 24th the Minister for Foreign Affairs told me he had been greatly disturbed on reading the Reuter account of the statement of the British Secretary of Foreign Affairs in Parliament on March 22nd[30] in regard to the Chinese-Japanese controversy and he asked me to call yesterday and to telegraph to the Department of State and to the American Minister confidentially some comments which he felt impelled to make. Full report of his observations will be mailed but the following is a summary:

2. "The tenor of the statement seems based on the assumption that China and Japan are equally in the right. This will greatly disappoint the Chinese since they feel that Japan has been the aggressor and they have understood that the League and the friendly powers are attempting to establish international justice. China signed the various international covenants in good faith and has placed implicit reliance on them while at the same time, although under great provocation to retaliate against Japan, she has carefully restricted herself to defensive measures thus obeying the League resolution not to aggravate the situation and conforming to the pact against war. The observation of Sir John Simon concerning encouragement to violation of China's territorial integrity was most disquieting because China had been under the impression that the question was not one merely of not countenancing such violation but of condemning and preventing it. Concerning the assertion that 'there was no law or common sense in saying that in no conceivable circumstances could there ever be a subdivision of an enormous area like China' the Minister for Foreign Affairs commented that it was surprising to find a British statesman intimating that a large nation had less right to the protection of its territorial integrity than a small nation for this principle would apply to India or to Canada as well as to China. More than ever, even if there had been indefinite movements elsewhere in China as stated by Simon, this fact did not justify Japan in promoting such a movement with the object of depriving China of Manchuria. China has been taught to rely on international justice from the time of Hay and Wilson onward but if the Chinese people find that justice has been denied to them they may be driven to fight in self-defense even though it be despairingly and hopelessly. China cannot deny her political imperfections which are due mainly to youthfulness of her Government but the imperfections

[30] See telegram No. 115, March 23, 1 p.m., from the Chargé in Great Britain, p. 620.

of a youth do not justify others in robbing him. Simon in his statement as reported here laid stress almost exclusively on the mediatory functions of the League ignoring its coequal functions of arbitration and the enforcement of international engagements. This fact caused the Minister of Foreign Affairs serious foreboding lest Great Britain might be wavering in her support of principles embodied in the Covenant, the Kellogg Pact and the Nine-Power Treaty. If this should unfortunately be the case the Minister of Foreign Affairs sincerely hoped that it was not true of the United States."

3. When pressed for comment on this statement I have informally expressed the opinion that it was partially inspired by a desire to alleviate the bitterness felt by Japan at apparently universal condemnation and thus to prepare the way for a speedy settlement. A confidential friend of the Minister for Foreign Affairs yesterday pressed me for advice regarding China's policy and I said that at the present stage of international advancement neither the League nor the various covenants could entirely obviate the results of China's failure to gain national strength or the great military superiority of Japan and I advised that China should not be too exigent in connection with terms of settlement but should recognize that her greatest need especially in the Shanghai region was peace and an opportunity to develop politically and economically.[31] I trust that the American Minister and the Department approve. By mail to the Minister.

PECK

793.94/4874 : Telegram

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

SHANGHAI, March 26, 1932—1 p.m.
[Received March 26—4:42 a.m.]

My March 25, 8 p. m.

1. Meeting convened this morning at 10 a. m.

2. Subcommittee sent away to discuss Japanese lines.

3. Uyeda began by accepting paragraph 3 of the draft of March 19th amended by adding words "who will take over as soon as the Japanese forces withdraw" at the end of second sentence.

4. Uyeda then proposed article 5 of the Japanese draft (my telegram March 24, 9 p. m.) which Chinese oppose on the ground that question of observation is covered by articles 1, 2 and 3 of draft agreement of March 19th. Japanese took away for consideration following

[31] The Department replied, with respect to the above sentence, in telegram No. 34, March 30, 5 p.m.: "Department approves. Repeat to Minister with appropriate reference."

words which it was suggested be added at the end of the annex relating to the Joint Commission:

"The Commission may in accordance with its decisions invoke the assistance of the representatives of the participating friendly powers in arranging for reconnaissances by aeroplanes over such points as may be considered necessary in order to watch the performance of the provisions for the cessation of hostilities."

5. Meeting adjourned until 10 a. m. on Monday March 28th. In the meantime subcommittee mentioned in paragraph 6 of my telegram March 25, 8 p. m., will continue its discussions.

JOHNSON

693.002 Manchuria/26 : Telegram

The Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, March 26, 1932—3 p.m.

99. Department's 88, March 11, 1 p.m. Your 111, March 16, 5 p.m., last sentence, and your 107, March 12, noon.

A. Under date March 22, 11 a.m., Minister Johnson telegraphs from Shanghai as follows:

[Here follows quotation of telegram printed on page 616.]

B. Under date March 26 [, 10 a.m.,] Minister Johnson telegraphs further from Shanghai as follows:

[Here follows quotation of telegram printed on page 632.]

C. Department feels that action such as suggested in its telegram under reference is desirable and would be useful from point of view of future developments.

D. Please report any developments by telegraph.

STIMSON

693.002 Manchuria/23 : Telegram

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

PEIPING, March 27, 1932—11 a.m.
[Received March 28—5:30 a.m.]

382. Following from American Consul General at Mukden:

"March 26, 3 p.m. Yesterday's Japanese press reports that at a cabinet meeting at Changchun on March 24th it was decided (1) to retain for the present the existing customs system of the Chinese Republic together with the existing tariffs; (2) to remit monthly to the Inspector General, Shanghai, the portion of the customs receipts required for service of the foreign loans; and (3) to retain the surplus for the use of new government.

It appears that except for the retention of the surplus revenue the existing customs administration will not be interfered with for the present."

For the Minister:
PERKINS

893.01 Manchuria/73 : Telegram

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

PEIPING, March 27, 1932—6 p.m.
[Received March 27—6:45 a.m.]

381. 1. Following from American Consul General at Mukden.

"March 27, 9 a.m. The new Chinese Mayor of Mukden, appointed by Provincial Government, has invited consular corps and staffs to dinner at Yamato Hotel on March 29th. My British colleague has accepted while some others are undecided. Unless Legation disapproves my staff will accept. I am having another engagement. Request immediate instructions."

2. Myers is being informed neither he nor members of consular staff should accept such invitation unless with the Department's express approval. Please instruct Mukden direct.[32]

For the Minister:
PERKINS

893.20/311 : Telegram

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

SHANGHAI, March 28, 1932—9 a.m.
[Received March 28—1:32 a.m.]

1. Reference my March 14, 10 a.m., transmitting Military Attaché's message concerning aviation experts, Minister Soong emphasizes importance of promptly obtaining chief expert and assistants of sufficient rank and prestige to enforce proper discipline among Chinese aviation personnel. Therefore he particularly requests employment of an officer from active list or if that is not practicable from retired or reserve list of sufficient rank and experience to undertake difficult and important task expected. Chinese Government understands that officers selected may be required to resign commission in the United States Army upon employment by the Chinese Government. Services of one principal and at least two or three assistants are desired imme-

[32] The Department instructed the Consul General at Mukden in telegram of March 27, 1 p.m.: "Department approves your plan: your staff accept, you decline."

diately. The principal expert should be qualified in military aviation, a good organizer having tact, and preferably foreign experience. Soong states that Government contemplates giving such expert rather wide authority in order to promote aviation development. His assistants should be qualified in training pilots. Personnel for training in commercial flying could be drawn from existing staff of China Airways, but personnel to teach observation, combat and bombing should accompany expert. When progress warrants additional experts may be sent for. The Chinese Government is prepared to remit to such persons as may be engaged a sum sufficient to cover traveling expenses and an advance on salary.

2. Could the Department suggest one or more experts such as for example Generals Fechet or Foulois qualified to head the mission who in turn would submit names of associates? If the Department does not wish to suggest head of mission perhaps War or Commerce Departments could do so.

3. In view of the importance attached to the matter by the Chinese Government I strongly urge prompt reply. In making recommendations please indicate qualifications and salary and earliest possible date of arrival.

4. Soong states confidentially that both the French and Italian Governments are prepared to arrange for aviation mission desired by the Chinese Government.

JOHNSON

793.94/4902 : Telegram

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

SHANGHAI, March 28, 1932—8 p.m.
[Received March 28—11:15 a.m.]

My March 26, 1 p.m.

1. Meeting between Chinese-Japanese continued at 10 a. m. and commenced at once discussion of "draft B" (text of which is being telegraphed separately[33]) which represents progress made in discussions of draft of March 19 during previous meetings. Subcommittee of military concurrently discussed question of Chinese and Japanese positions.

2. There was considerable argument once more about question of plain-clothes gunmen, Chinese denying that they had employed such as a part of their Army. The Japanese finally took under advisement suggestion that words "and every form of" be inserted before words "hostile acts".

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[33] *Infra.*

3. The Japanese objected strenuously to Chinese reservation to article 2 maintaining that arrangement now under negotiations was necessarily temporary to be followed by a later arrangement. Chinese agree to take under consideration suggestion made by Lampson that the words "upon the reestablishment of normal conditions in the areas dealt with [in] that agreement" be inserted at the end of first sentence of article 2.

4. When discussion reached annex 2 which was next taken up at the suggestion of Uyeda, Chinese insisted that there must be stated a time limit for the withdrawal of the Japanese forces to area of Settlement and extra-Settlement roads adjacent to Hongkew pointing out that Japanese refusal to agree to a time within which the Japanese troops would be withdrawn as before incident of January 28th introduces a new element into the discussion. Article 3 of draft undertakes in the first sentence on the part of the Japanese to withdraw their forces into the Settlement and extra-Settlement roads. By the second sentence certain physical aspects of the situation are mentioned which make it necessary to keep Japanese forces temporarily outside these areas. But now Japanese say that they must be held there pending restoration of normal conditions. Quo agreed that this is new matter insofar as draft of March 19th is concerned and a matter that is not ascertainable by any one. Matter was laid aside for the present at the suggestion of Quo.

5. Discussion continued with reservations on both sides for further discussion tomorrow. Military subcommittee will recess until Wednesday morning.[34]

6. It is becoming increasingly clear that Japanese do not intend to be pinned down to any time program as to withdrawal. In the military subcommittee they have been pushed back to a point where the area east of the railway has become the area which they concentrate upon. They state they will withdraw from this area "when conditions permit". Chinese are naturally unwilling to accept this and are beginning to threaten to refer question to the League and to friendly participating powers.

JOHNSON

793.94/4912 : Telegram

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

SHANGHAI, March 28, 1932—9 p.m.
[Received March 29—3 a.m.]

My March 28, 8 p.m. Text of draft B follows:

[34] March 30.

"ARTICLE 1

The Japanese and Chinese authorities having already ordered the cease fire, it is agreed that the cessation of hostilities is rendered definite as from (blank). The forces of the two sides will so far as lies in their control cease all hostile acts. In the event of doubts arising in regard to the cessation of hostilities, the situation in this respect will be ascertained by the representatives of the participating friendly powers."

ARTICLE 2

Same as in my March 24, 9 a. m. [*p.m.*], with the following reservations by the Chinese: "It is understood that nothing in this agreement implies any permanent restriction of movements of Chinese troops in Chinese territory."

ARTICLE 3

"In accordance with the program regulating withdrawal as shown in annex 2 to this agreement the Japanese troops will withdraw to the International Settlement and the extra-Settlement roads in the Hongkew [district?] as before the incident of January 28th [, 1932?]. It is, however, understood that in view of the numbers of Japanese troops to be accommodated some will have to be stationed temporarily in localities adjacent to the above-mentioned areas.

The aforesaid localities are indicated in annex 3 to this agreement."

ARTICLE 4

"A joint commission including members representing participating friendly powers will be established to certify mutual withdrawal.

The aforesaid commission will also collaborate in arranging for the transfer from the evacuating Japanese forces to incoming Chinese police who will take over as soon as the Japanese forces withdraw.

The constitution and procedure of the aforesaid commission will be as defined in the annex 4 to this agreement."

ARTICLE 5

["]The present agreement shall come into force on the day of the signature thereof.

The present agreement is made in the Chinese and Japanese and English languages. In the event of their [*there*] being any doubts as to the meaning or any differences of meaning between the Chinese and Japanese and English texts, the English text shall be authoritative.

Done at Shanghai, this (blank) day of (blank) 1932, corresponding to (blank).

(Chinese and Japanese signatures.)

In the presence of: (signatures of foreign heads of mission).

Representatives of the friendly powers assisting in the negotiations in accordance with the resolution of the Assembly of the League of Nations of March 4, 1932."

ANNEX I

"The following are the positions of the Chinese forces as provided in article 2 of this agreement (here insert definition of the Chinese positions).

In the event of doubts arising in respect thereto the positions in question will be ascertained by the representatives of the participating friendly powers."

ANNEX II

"The withdrawal of the Japanese troops to the localities indicated in annex 3 will be commenced within 1 week of the coming into force of the agreement and will be completed as soon as possible within a maximum period of 6 weeks.

The joint commission to be established under article 4 will make any necessary arrangements for the care and subsequent evacuation of any invalids or injured animals that cannot be withdrawn at the time of the evacuation. These may be detained in their positions together with medical personnel. The Chinese authorities will give protection to the above."

ANNEX III

"The following are the localities in which the Japanese troops will be temporarily stationed as provided in article 3 of this agreement.

(Here insert definition of the localities in which the Japanese troops be temporarily stationed).

In the event of doubts arising in regard thereto the localities in question will be ascertained by representatives of the participating friendly powers."

ANNEX IV

"The joint commission will be composed of 12 members, namely, 1 civilian and 1 military representative of each of the following: the Chinese and Japanese Governments and the American, British, French and Italian heads of the missions in China being the representatives of the friendly powers assisting in the negotiations in accordance with the resolution of the Assembly of the League of Nations of March 4, 1932.

The members of the joint commission will employ such numbers of assistants as they may from time to time find necessary in accordance with decisions of the commission. All matters of procedure will be left to the discretion of the commission whose decisions will be taken by majority vote, the chairman having a casting vote. Chairman will be elected by the commission from the members representing participating friendly powers.

The commission may in all its decisions invoke the assistance of its members, the representatives of the participating friendly powers, in arranging for reconnaissance by the latter by airship over such points as may be considered necessary in order watch the carrying out of the provisions regulating the cessation of hostilities."

The separate declaration by the Chinese Government remains the

same as in my March 24, 9 a. m. [*p.m.*] with a slight alteration in the last sentence as follows:

"It is understood that the incoming Chinese police referred to in the penultimate sentence of article number 4 of the [agreement?] for the cessation of hostilities of (inserted date) will be drawn from the above special constabulary."

JOHNSON

793.94/4909 : Telegram

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

SHANGHAI, March 29, 1932—4 p.m.
[Received March 29—9:10 a.m.]

Situation reports numbers 13 to 17 were not telegraphed being of no special importance.

Following is situation report number 18, March 29:

"[1.] Numerous reports from neutral observers along Chinese front confirm impression that incidents are occurring between the two sides more especially in the region of Taitsang. A recent incident puts beyond reasonable doubt that a strong Japanese patrol made an attack on a small Chinese escort accompanying a neutral observer in vicinity of Wunglichiao near Taitsang.

2. Japanese aerial reconnaissances are now intensified over Chinese line.

3. Japanese staff have today issued orders with a view to prevent recurrence of incidents reported in paragraph 1, above."

JOHNSON

793.94/4908 : Telegram

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

SHANGHAI, March 29, 1932—5 p.m.
[Received March 29—8:45 a.m.]

My March 28, 8 p.m.

1. Meeting between Japanese and Chinese convened at 10 a. m. Sir Miles appealed to both sides to make speed, pointing out that these negotiations had now consumed a total of 21½ hours with little or no progress made.

2. Both sides accepted article 1 of draft B of March 27th with words

"all and every form of" inserted before word "hostile" at the end of second sentence.

3. Article 2 has been referred to Nanking and is passed over pending instructions.

4. Article 3 reserved for launching [*later?*] discussion as it is dependent upon annex 2.

5. Articles 4 and 5 were accepted yesterday.

6. Annex 2 passed over at the suggestion of Japanese. Japanese and Chinese delegates are at a complete deadlock on this point. Chinese insist that there must be a time limit set upon the final retirement of the Japanese troops into the Settlement and extra-Settlement roads. They offer the following paragraph to be inserted between the two paragraphs of annex 2.

"The withdrawal from the adjacent localities to the International Settlement from extra-Settlement roads as mentioned in article 3 will be compared within (blank) weeks from the signing of this agreement."

Japanese refuse to consider a date insisting that they must be sole judges of when they will depart and how many troops they need to protect their people, their lives and property. The Japanese and Chinese finally agreed to take under consideration following suggestion:

"The further withdrawal of the Japanese troops to the areas mentioned in the first sentence of article 3 will be completed as soon as conditions of local security permit of such reductions in the numbers of the said troops as will enable them to be accommodated in the said areas. This will be effected as soon as possible in accordance with the spirit of the resolution of March 4th and the discussion which preceded its adoption."

This was offered by Lampson to be inserted between paragraphs 1 and 2 of annex 2 as more in accord with discussions which occurred at Geneva where the President of the Assembly is quoted as stating that question of local security must be taken care of. Department will note phrase "conditions of local security" which of course can make ultimate withdrawal of Japanese conditioned on situations entirely in the control of the Japanese.

7. Annex 3 passed on for further consideration.

8. Annex 4 last paragraph was discussed but passed on for further discussion. Japanese want to participate in aeroplanes reconnaissance. Chinese object to this.

9. Meeting adjourned until Thursday 10 a. m. Military subcommittee is to continue its meetings.

JOHNSON

893.20/311 : Telegram

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

WASHINGTON, March 29, 1932—5 p.m.

121. For the Minister. Your March 28, 9 a.m.

A paraphrase of the message from the Military Attaché to the War Department contained in your March 14, 10 a.m., was transmitted to the War Department under date March 14. In a letter dated March 24, the War Department states that it is not interested in sending an aviation training mission to China; that the Military Attaché's message has been sent to the Department of Commerce for consideration from the standpoint of civilian aviation interest; and that the Military Attaché is being appropriately informed by radio.

The Department notes from your March 14, 10 a.m. that the proposed aviation training mission is "to be made available to the Chinese Government immediately after the termination of the present critical Sino-Japanese situation". The Department is of the opinion that it would be inadvisable for this Government to take any steps in connection with the sending to China of such a mission while the present Sino-Japanese situation continues as it is. It is of course impossible to predict when that situation will be liquidated.

The Department believes that it would be well for the Chinese Government to handle this matter through its own Legation here, which Legation, if given the handling of it, should confer with the Department before proceeding. In case Soong should desire to cause appropriate instructions to be sent to the Legation and the Legation should approach the Department, the Department is prepared to discuss the subject with the Legation in the light of the above.

CASTLE

793.94/5053

The Consul General at Mukden (Myers) to the Minister in China (Johnson) [35]

No. 563 MUKDEN, March 29, 1932.

SIR: I have the honor to report a few incidents which throw some sidelight on Japanese methods in Manchuria as well as show the lengths to which the Japanese will go in the furtherance of their schemes.

In the local branch of one of China's leading banks, some of the

[35] Copy transmitted to the Department by the Consul General at Mukden in his despatch of March 29, 1932; received April 16.

prominent officials of the former government had personal funds on deposit on September 18, 1931, since when these funds have been impounded by the Japanese in control. There is also on deposit in this bank $2,500,000 belonging to the Peiping-Liaoning Railway. Recently the Japanese military demanded that these deposits be handed over, the spokesman being a lieutenant. The demand was refused and subsequently a higher officer appeared at the bank to offer an apology for the mistake that had been made. It is thought that the plan had been concocted in hope of securing the money by overawing the manager and that when it miscarried the apology was offered. It is understood that the Japanese have given the bank permission to pay these personal funds to the individuals themselves upon their personal application or upon the application of their qualified representatives. They cannot, however, be transferred to other branches of the bank. This appears to be a clever move to induce some of these officials to return to Mukden, the Japanese desiring, no doubt, to induce them to accept positions in the new Government. In this connection it may be stated the Hsing Shih-lien, who was closely associated with Marshal Chang Hsueh-liang, is mentioned as the future Chief of Police at Changchun and that Kao Chi-yi, former director of the Peking-Liaoning Railway, and several others are ready to return.

Another interesting report has been heard that the private funds of Chang Hsueh-liang in the Bank of Chosen and Yokohama Specie Bank amounting to about Yen 15,000,000 have for the most part disappeared. These deposits were subject to withdrawal by checks bearing the personal chop of Chang Hsueh-liang which had been in the possession of Lu Mu-t'ing, the former director of the Bank of the Three Eastern Provinces. Wu En-p'ei, the present director of the bank, is in possession of this chop and according to my information has drawn large checks on these deposits. Colonel Doihara, who was recently promoted, received Yen 5,000,000 for the Tientsin affair, during which Henry P'u Yi was spirited away on a Japanese destroyer to Newchwang. Mr. Wu, it may be added, is a close personal friend of Mr. Sudo, the Japanese adviser and actual director of the Three Eastern Provinces Bank. A large cancelled check drawn on these deposits has been seen by the informant. The above two reports have emanated from a reliable source and are believed to be reliable.

Some weeks ago a member of the Chinese staff of the local Post Office was arrested and detained by Japanese gendarmes for six hours for having written a letter in which responsibility for recent developments in Manchuria was attributed to the Japanese. While under detention he was forced to sign a statement to the effect that he would never criticize the Japanese again. Recently he was re-arrested because a

report of his former arrest appeared in a Chinese newspaper in Tientsin for which he was not responsible. This second detention lasted twenty-four hours, during which he was closely examined and subjected to torture. He was badly beaten on the body, slapped on the face many times and threatened with being shot. He was forced to give the names of all persons in the local Chinese Post Office who are anti-Japanese and to sign a document promising that he would not divulge what had occurred during his detention. This man who is quiet and unassuming has had a serious nervous shock as a result of this brutal treatment.

About ten days ago, several experts of the International Money Order and Union Departments, Tokyo, arrived in Mukden for the purpose of investigating postal conditions with a view, it is believed in responsible quarters, of making recommendations concerning the taking over by the Japanese Postal Administration of the Chinese post offices in Manchuria. A higher Japanese postal official, a Mr. Shimizu, arrived yesterday, in connection with the same question. It has been heard that Japanese Headquarters is urging the immediate taking over of the Chinese post offices while the investigators have advised delay and that Mr. Shimizu has been sent here to submit his views on this question. According to available information, the local Government so far has taken no part in this movement for taking over the Chinese post offices.

Yours respectfully, M. S. MYERS

893.51 Salt Funds/96 : Telegram

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

PEIPING, March 30, 1932—6 p.m.
[Received March 30—8:55 a.m.]

391. Following from American Consul General at Mukden:

"March 30, 2 p.m. Supplementing my March 29, midnight,[36] Japanese press reports that new government announced on the 28th that the Salt Administration is hereafter independent of Nanking and that all of its administrative functions will be taken over by Changchun; that foreign obligations secured by the Salt Gabelle will not be repudiated and claims entered by the creditor powers will be considered; and that employees willing to sever connections with the Chinese Government will be retained."

For the Minister:
PERKINS

[36] Not printed.

793.94/4929 : Telegram

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

PEIPING, March 30, 1932—7 p.m.
[Received March 30—9:02 a.m.]

392. Following from American Consul General at Harbin:

"Number 41, March 30, 11 a. m.

1. Japanese military mission states that bombing planes left Changchun yesterday to bomb old troops in possession of Nungan just north of Changchun, that new Kirin and Japanese troops had reached Fangcheng on the Sungari River, that Japanese troops from Tunghua had reached Ninguta and that those on eastern line of Chinese Eastern Railway would be shifted to the region southwest of Harbin to cope with the situation there which is threatening to Changchun.

2. Conditions in region along the eastern lines still bad. Private advices from Hailar and Manchouli indicate that situation in and near those places is quiet.

3. Reports received concerning Siberia indicate that the Soviet Army is still continuing to strengthen its position in Priamur Province.

4. Local customhouse and post office functioning normally without serious interference from the new authorities.

5. Despite embargo on wheat declared by local authorities Soviet Exporthleb succeeded in shipping to Vladivostok 4,000 tons of wheat during the past 10 days. Agents of Exporthleb have arranged at Dairen with Mitsui's to ship to Vladivostok a large quantity of wheat to be delivered last part of April.

6. Soviet administration of the Chinese Eastern Railway has sent so many freight cars into Siberia that shippers cannot secure tenth of their requirements and have been forced to curtail their purchases of beans. This is having a serious effect on the revenue of the railway which is now practically "frozen". This action and the great harm to farmers caused by unpaid Chinese soldiers and brigands made the economic outlook of North Manchuria for 1932 pessimistic."

For the Minister:
PERKINS

793.94 Commission/186

The Consul General at Nanking (Peck) to the Secretary of State

No. D–237

NANKING, March 30, 1932.
[Received April 26.]

SIR: I have the honor to state that Major General Frank Ross McCoy, U. S. A., American Member of the Far Eastern Commission of the League of Nations, arrived in Nanking, with the other members of the Commission on March 27, 1932.

In accordance with the Department's instructions, General McCoy

and his party have been supplied with the services of a stenographer. Excerpts and copies of documents from the files of the Consulate General likely to be of interest to General McCoy have likewise been supplied to him. There is attached hereto a copy of a memorandum prepared at the request of General McCoy. This Memorandum is dated March 29, 1932, and attempts to comment on the following questions: "Will the present Government of China last? If Manchuria were to be restored to the control of the present Government of China would the Government be able to install an efficient government in Manchuria?".

Respectfully yours, WILLYS R. PECK

[Enclosure]

Memorandum Prepared by the Consul General at Nanking (Peck)

NANKING, March 29, 1932.

Subject: Capacity of China to Exercise the Powers of a State.

To General McCoy:

On March 28, 1932, you asked that I make available to you any material in the files of this Consulate General likely to throw light on the following questions:

1. Will the present Government of China last?
2. If Manchuria were to be restored to the control of the present Government of China would the Government be able to install an efficient government in Manchuria?

Replies to these questions can hardly be based on any documentary material in the Consular files. Such replies will necessarily have the character of conjecture and prophecy, based upon individual reaction to past and present conditions and events. What follows is merely the personal view of the writer.

1. Will the present Government of China last?

The difficulties confronting the present Chinese Government in the order of relative importance are principally those arising from:

A. Lack of prestige
B. Lack of revenue
C. Factional differences.

A. Lack of Prestige.

The question of prestige, or "face", is peculiarly important in China. If the Government presents to the country an aspect of failure in all directions, e.g. in international relations, finance, maintenance of order throughout the country, etc., the result is not only a lack of respect

on the part of the Chinese population, but also a lack of morale, enthusiasm and energy on the part of the whole personnel of the Government itself. Since September 18, 1931, the attention of the Chinese thinking public and of the Chinese Government has been engrossed by what the Chinese consider Japan's onslaught on China. The numerous changes in personnel in the Government which have taken place since last September have been occasioned almost entirely by the difficulty of handling this problem. Several Chinese leaders have said to me seriously and with conviction that they do not believe any government of China can function so long as Japanese humiliation of China continues without some redress. It must be pointed out again that this is not only because a government failing in this regard forfeits the respect of the Chinese people; it is also because this problem, while it exists, monopolizes the energies of the officials of the Government and is taken as the sole criterion of their success.

Consequently, if the present Government of China is to last it must do one of two things, either to some extent restore China's "face" in the conflict with Japan, or adopt a policy of desperate resistance to Japan. An heroic Government, even though it failed to eject the Japanese, might continue to have the loyalty of the people. And among the questions which must be settled with Japan the foremost, perhaps, is that of Manchuria. Manchuria is remote from the bulk of the Chinese population, but it seems to me very unlikely that a Chinese Government which should acquiesce in the alienation of this territory could survive.

B. Lack of Revenue.

Whether or not the present Government can obtain the revenue necessary for its continued operation is a moot question. Personally, I am inclined to think that if the economic depression caused by the Japanese boycott and the fighting at Shanghai had not intervened, the Government would have been able, by stringent economy, to maintain itself. Of course, in one way, the trouble with Japan has proved an advantage to the Government in this regard, in that it has distracted public attention from financial difficulties and has saved the "face" of the Government by providing an all sufficient excuse for delinquent payments to troops, cutting down of salaries, etc. Nevertheless, the Government, if it lasts, must practice the most rigid economy. But in that respect it is sharing the same experiences as other governments.

The loss of surplus customs and salt revenues from Manchuria might be a decisive factor in bringing about the disappearance of government in China.

C. Factional Differences.

There is scheduled on April 7 at Loyang a "National Emergency Conference", composed of Chinese leaders both in and outside of the Nationalist Party, to discuss means of meeting the difficulties with which the nation and the Government are confronted. It is freely rumored that a proposal will be made for the consideration of the conference that the control of the National Government by the Nationalist Party be terminated through the device of announcing that the "period of tutelage" is over. Those who advocate this measure seem to have two objectives: (1) to free the Government from interference by party politicians and from the complications of Party politics and (2) to facilitate a settlement with Japan by dethroning the agency which Japan thinks is largely responsible for instigating the anti-Japanese boycott and other Japanese agitations. It is too early to say whether the termination of Party control will be achieved, or even attempted, at the Loyang conference in April.

The country is still suffering from the prevalence of local military leaders, but I am inclined to believe that the Government could gradually deal with this question if it were not saddled with the Japanese problem. And I am more than persuaded that there is a great deal in the contention constantly made by Chinese leaders that by threats, promises, and payments of money Japan promotes rivalries and insubordination among these provincial leaders. A diplomatic victory by Japan at this moment, it is easy to see, would convince every local militarist that he must, for his own protection, give his allegiance to Japan rather than to his own Government.

The most serious factional menace to the Government today probably is the Chinese Communist Party. At present this party has no prominent central control, but in the central provinces, on both sides of the Yangtze, there are in all seven organized Soviet Governments, some of which have been in existence three or four years. It must be admitted that the Government forces have met with little success in their efforts to subdue the Soviet Governments, which are defended by well organized troops and have acquired more or less regular sources of revenue from the regions which they control. Nevertheless, if the Chinese Government were freed from the incubus of an all engrossing foreign military and diplomatic conflict, it would in all likelihood be able to suppress these scattered communist governments.

A discussion of the second question follows:

2. If Manchuria were to be restored to the control of the present Government of China would the Government be able to install an efficient government in Manchuria?

Frankly, it must be admitted that if Manchuria were to be restored

to China tomorrow it is very unlikely that the Chinese Government would be able to establish in a month or two a government in Manchuria which would . . . satisfy the Japanese. The Japanese and the Chinese views in regard to the rights of Japan in Manchuria are so divergent that a government in Manchuria which would satisfy the Japanese would be condemned by the rest of China. If, and when, the Chinese Government is allowed to re-establish a government in Manchuria there must be a preliminary understanding between the two countries in regard to outstanding economic controversies. In former days the government of Chang Tso-lin in Manchuria felt itself saddled with the duty of resisting Japanese encroachments. The new government, in my opinion, which it is to be hoped will be established by China, must be in a position to give its attention solely to governmental, as distinguished from diplomatic, functions. Provided that causes of controversy between the Chinese administration in Manchuria and the Japanese are removed, there seems to me to be ample assurance that the Chinese Government would be able to establish orderly control of the Eastern Provinces.

In closing, I venture to add what may seem to be a presumptuous comment on this subject of the Sino-Japanese controversy. The comment is that from the standpoint of world interests, and especially from the American standpoint, the question of the probable stability of the Chinese Government and its probable ability to establish an efficient government in a restored Manchuria, do not seem to be the most important factors requiring consideration in deciding whether or not Japan is to be allowed to retain advantages in China which she has gained through the exercise of a superior military force.

If what the Chinese regard as the present Japanese policy of military conquest is not restrained by the League of Nations or the Signatories to the Kellogg Pact or the Nine Power Treaty, the Chinese will be faced with the necessity of conducting a long-drawn-out and probably ineffectual war of resistance, or of submitting to Japanese compulsion. In either event the Chinese people will conclude that the covenants named above are hollow shams and that the western organization for world peace ceases to be a reality, whenever a powerful nation chooses to ignore it. This realization is practically certain to produce a wave of anti-foreignism in China, and a by no means impossible aftermath would be a revulsion in favor of Japan, as a country which is, after all, Asiatic and seems to be able to over-awe the entire western world. Neither of these possibilities would seem to be one which the western Powers, and especially the United States, should welcome.

The present government of China is admittedly weak. It is com-

paratively young and has been facing enormous difficulties. It is hard to gainsay Chinese leaders when they point out that the only alternatives to the continuance of the present government seem to be communism or chaos, or both. Apparently, therefore, the western Powers cannot afford to reject the claims of China simply because the present Government is weak, since this Government is the only instrument on which they can rely to establish a regime in China favorable to western trade and civilization.

693.002 Manchuria/29 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, March 31, 1932—11 a.m.
[Received March 31—8:25 a.m.]

132. Drummond has circulated a letter from Yen dated March 29th quoting telegram from his Government containing the following reports from Maze, Inspector General of Customs:

1. The Commissioner of Customs at Antung telegraphs:

"I am informed that the Superintendent of Customs introduced his Japanese adviser to the Manager of the Bank of China today (March 26th?) when the adviser handed to the Manager the written circular instruction from Manchukuo (puppet government) that all revenues in the hands of the Bank of China on the 26th of March and all collections from that date should be paid to Tung San Sheng Kuang Yin Hao (Bank of the Three Eastern Provinces). The Manager replied that he could do nothing without instructions from the Maritime Customs. So far I have not been approached on the matter but the Bank of China requests instructions which I now solicit from you. Question is also raised of the present agreement with the Bank of Chosen."

2. The Commissioner of Customs at Newchwang telegraphs:

"The Japanese adviser to the Superintendent of Customs and the Manager of the Bank of the Three Eastern Provinces called this morning (March 26th?) on the Manager of the Bank of China with a despatch dated the 24th of March from the Finance Ministry of Manchukuo (puppet government) to him instructing him to hand over immediately all the customs revenue held by the Bank of China on the 26th of March and all future collections to the Bank of the Three Eastern Provinces. They thereupon demanded the immediate handing over of the funds to them. The Manager of the Bank of China refused saying that he should consult me (the Commissioner of Customs at Newchwang) and would inform them on their return this afternoon that the Commissioner of Customs has wired the Inspector General for instructions."

In addition Yen's letter quotes the following telegram by Dr. F. A.

Cleveland, associate chief inspector of salt revenue, received from the district inspectors at Liaoning (Mukden).

"We learn from reliable sources that the salt commissioner has received order from the Finance Minister of the puppet government to take over by force our office and sub-office including revenue balance, files and everything on the 28th of March."

GILBERT

793.94/4933 : Telegram

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

SHANGHAI, March 31, 1932—1 p.m.
[Received March 31—3:37 a.m.]

My March 29, 5 p.m.

1. Chinese-Japanese negotiators met at 10 a. m. and commenced discussion of article 2 of draft B, March 27th, which was finally accepted in the general form.

"The Chinese troops will remain in their present positions pending later arrangements upon the reestablishment of normal conditions in the areas dealt with by this agreement. The aforesaid positions are indicated in annex 1 to this agreement."

While the Chinese delegate recorded with the conference the following official declaration:

"It is understood that nothing in this agreement implies any permanent restrictions on the movements of Chinese troops in Chinese territory".

2. Next meeting takes place Saturday, April 2nd.

3. Negotiations threatened to break on the question of date of Japanese withdrawal. It was finally agreed privately between Sir Miles and myself, Shigemitsu and Quo, to meet informally outside of the conference, Ciano and Lagarde participating, to explore possibilities of a formula.

JOHNSON

893.711/74 : Telegram

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

PEIPING, March 31, 1932—1 p.m.
[Received March 31—6:24 a.m.]

394. Following from American Consul General, Mukden:

"Japanese *gendarmerie* have begun censoring mail matter in the

Chinese post office—so far only Chinese newspapers—addressed to local foreigners, several papers for Americans having been detained. Request instructions regarding filing protest with the Japanese Consulate General.

Information has been received from Antung that Chinese Deputy Postal Commissioner, Antung, was arrested by the Japanese *gendarmerie* and held 9 hours, his office and residence being thoroughly searched, no other details."

Legation proposes to instruct Myers to protest informally to Japanese Consul General if detention continues.

For the Minister:
PERKINS

793.94/4933 : Telegram

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

WASHINGTON, March 31, 1932—3 p.m.

124. For the Minister. Your March 29, 5 p. m., particularly paragraph 6, and your March 31, 1 p. m., paragraph 3.

1. With regard to the insistence of the Chinese upon a specified time limit for the final retirement of the Japanese troops into the Settlement and extra-Settlement road areas, the Department feels that the all-important point to be kept to the forefront is the urgent and immediate need of reaching a signed agreement relating to the cessation of hostilities at Shanghai in order that at least one step forward, however small, may be made by the peace machinery set in motion for a liquidation of the difficult situation at Shanghai.

2. The Department suggests, therefore, that you discuss the matter with Sir Miles Lampson and, if he is willing to join with you, that both of you seek to impress upon the Chinese and Japanese representatives at the negotiations the desirability of arriving at some such arrangement as proposed by Lampson when he suggested the addition of the paragraph referred to in paragraph 6 of your March 29, 5 p. m. If the Chinese are still insistent upon their point of view, might not the question of the time limit be reserved (*a*) for consideration at a later conference or (*b*) "pending later arrangements upon the reestablishment of normal conditions", the phraseology used in Article 2 referred to in paragraph 1 of your March 31, 1 p. m.? The Department feels that the success of the negotiations which are now in progress at Shanghai will be influenced to an important degree by the personal influence which you and Sir Miles Lampson can bring to bear on both the Chinese and Japanese representatives in persuading them to accept

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provisions which are reasonable and realistic in the light of all the circumstances.

CASTLE

CHAPTER VIII: APRIL 1–MAY 5, 1932

Further American Consultations on Behalf of Nine-Power Treaty of 1922; Restatement of United States Policy Respecting Disposal of Arms to China, April 5; American Suggestions Regarding Solution of Manchurian Problem, April 12 (and 22); American Avoidance of Part in Chinese Military Training, April 19; Consultations of Secretary Stimson at Geneva Respecting Impasse in Shanghai Armistice Negotiations and Situation in Manchuria; Resolution of League Assembly Respecting Conclusion of Shanghai Armistice, April 30; Signature of Shanghai Armistice Agreement and Constitution of Joint Commission Thereunder, May 5

693.002 Manchuria/31 : Telegram

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

PEIPING, April 1, 1932—1 p.m.
[Received April 1—6:25 a.m.]

396. Following from American Consul General at Harbin:

"March 31, 10 a.m.

1. Local branch of the Bank of China has officially notified the Commissioner of Customs that it has received instructions from the new government at Changchun to hand to the latter's bank customs revenues collected by the Bank of China and that it must comply with these orders. The Commissioner replied that having received no orders from the Inspector General in this respect, he would hold the Bank of China responsible for any customs moneys wrongfully paid out. He has wired the Inspector General for instructions. He was also informed by the Bank of China that hereafter he could not withdraw any customs moneys unless the checks were countersigned by the Chinese superintendent, who has a Japanese adviser named Kato. I have reason to believe that Kato has received instructions from Changchun to arrange for the taking over of the customs, as from March 30th."]

For the Minister:
PERKINS

693.002 Manchuria/35 : Telegram

The Acting Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, April 1, 1932—4 p.m.

105. Your 125, March 30, 5 p.m.[37] The account which you give in paragraph 2 implies that the Assistant Secretary of State with whom

[37] Not printed.

you spoke conceives that the Manchuria Government has a *de lege* existence and a right to negotiate and conclude agreements with the Chinese Government; also, that he conceives that we have proposed to the British Government joint action in the sense of protests to the Japanese Government in expectation that that Government in response thereto would restrain the present Manchuria authorities from proceeding with the apparently intended plan to sever the administration of customs in Manchuria from the Chinese Customs Administration.

We do not concede any right on the part of the Manchuria authorities to demand of the Chinese Government that it negotiate and conclude agreements with them. Our proposal to the British Government took the form of an inquiry whether they would be willing concurrently to make representations at Tokyo, at Nanking and in Manchuria registering objection to the dismemberment of the Chinese Customs Administration and reserving our rights. We believe that the British Foreign Office will concur in our view that the Japanese Government is a party to, if not an initiator of, the action which the Chinese authorities in Manchuria are proposing to take or have taken; and that the Japanese Government, if it chooses to do so, could easily prevent that action being taken. Holding this view, we believe that objection, if registered, should be registered with the Japanese Government as well as with the Chinese at Nanking and in Manchuria, regardless whether it will have any immediate effect toward preventing consummation of the intended severance.

It is not our present intention to act alone in this matter. The Chinese Customs Administration has always been a matter in regard to which the British Government has manifested the leading interest and concern. That Government and British financial interests have special agreements with China in regard to the Customs Administration. That Government has on various occasions indicated special solicitude with regard to the maintenance of the integrity of that Administration. If that Government does not now regard the matter as of sufficient consequence to it to warrant it to join us in action, it would seem that there is little or nothing that we can advisedly do in the premises.

Our invitation to them to take concurrent action stands open.

You should inform Sir John Simon of our views as above and you should expressly add that we would welcome receipt of any suggestion which the British Government may have to offer with regard to attitude to be taken in relation to administrative action by the Chinese authorities in Manchuria in contravention of provisions of China's treaties and agreements.

CASTLE

693.002 Manchuria/32 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, April 1, 1932—5 p.m.
[Received 5:36 p.m.]

126. Following is prepared by Foreign Office outlining viewpoints they expressed today answering my representations made in conformity with Department's telegraphic instruction No. 88, March 11, 1 p.m. I understand the text of this memorandum has been telegraphed to Lampson and Lindley with advices that it has been handed to me for transmission to my Government:

"The maintenance of the integrity of the Chinese Customs Administration, in spite of the disruptive tendencies so frequently observed in Chinese domestic politics, has always been a cardinal point of British policy. His Majesty's Government have, therefore, viewed with grave concern the recent developments in the Far East, which seem likely to result in the establishment of a separate independent customs administration in Manchuria. In their view, however, the establishment of such a separate customs administration is only one of the consequences—and perhaps an inevitable consequence—of the establishment of the independent state of Manchuria. It would seem to be illogical, therefore, and possibly a source of confusion, to deal with the former question prior to, and apart from, the latter. Moreover, while there can in practice be no real doubt that Japan has instigated the establishment of an independent state of Manchuria it is not at all so certain she has in fact instigated the setting up of a separate customs administration. During the last few weeks His Majesty's Government has made every effort, by means of advice, expostulations and private negotiations, both at Tokyo and Nanking, to save the integrity of the Chinese Maritime Customs. The present position is that the Manchurian authorities are willing to agree to the same sort of compromise that was adopted in Canton last year, by which, in spite of Canton's declination [*declaration?*] of independence, the integrity of the customs was saved. The Nanking Government—though all hope is not yet lost—show signs of obdurate refusing any compromise. There can be no doubt that Manchuria's willingness to avoid breaking up the customs administration is due to the influence in that direction exercised on them by Japan. His Majesty's Government are, therefore, averse to making formal representations to Japan on the point of the integrity of the customs because Japan's reply would be that the setting up of an independent customs administration in Manchuria was the logical and possibly inevitable corollary to the establishment of an independent state; that the establishment of a separate customs administration could only be avoided by some sort of compromise between Manchuria and China; that Japan was strongly in favor of some such compromise; that Manchuria had actually offered such a compromise, but that China had obstinately refused; and that consequently the breaking up of the customs administration was due not to any instigation by Japan, but to the short-sightedness of the Chinese Government in refusing a reasonable compromise. It would seem to follow that if

any representations are made to Japan, they should be made on the ground that Japan has instigated the establishment of an independent state of Manchuria. It is already known, however, that Japan adopts the attitude that neither the Japanese Government nor any Japanese official has had anything whatever to do with the establishment of an independent state of Manchuria. If the British or United States, or both Governments, make representations to her on this ground, she will merely reply to us, as she has replied to others, that we are knocking at the wrong door. His Majesty's Government, therefore, do not believe that such representations would do any good, but fear on the contrary that they may do some harm. Nevertheless, if in spite of these considerations the United States Government are still anxious that representations should be made, His Majesty's Government would not stand aside. They suggest, however, that any such representations should not take the form of a joint *démarche* in Tokyo, for there can be no doubt that such joint representations excite public agitation, and only play into the hands of the extremists in Japan. If the United States still desire that representations should be made, His Majesty's Government suggest that such representations should be made verbally and simultaneously to the Japanese Ambassadors in Washington and London respectively. If such representations are made to the two Japanese Ambassadors, then it might be pointed out that the establishment of an independent state in Manchuria is likely to result in the disruption of the Chinese Customs Administration. Such a development would probably be regarded as unfavorably by Japanese interests as by those of the United States and Great Britain."

ATHERTON

893.71/113 : Telegram

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

PEIPING, April 2, 1932—noon.
[Received April 2—2:23 a.m.]

399. Following from American Consul General, Harbin:

"April 1, 1 p.m.

1. A Chinese accompanied by a Japanese adviser named Tanaka (representative of the new government) this morning called with a police escort upon the local Post Office Commissioner Smith, handed to him a communication from the Department of Foreign Affairs at Changchun stating that on April 1st the new government was taking over the postal service in Manchuria, and demanded that Smith hand over charge of his office to the visitors. Smith replied that he must receive instructions from the [postal] directorate before taking any action, but that the visitors could look at his stamp balance. He is to confer with them again this afternoon.

2. This action on the part of the new government will have grave consequences and the latter should be called to the attention of the

Japanese Government whose agents have instigated the new state officials to take this action."

For the Minister:
PERKINS

693.002 Manchuria/33 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, April 2, 1932—noon.
[Received April 2—8 a.m.]

127. In view of British Government's opinion expressed in my telegram 126, April 1, 5 p.m., I shall take no action on Department's 105, April 1, 4 p. m., without further instructions.[38]

ATHERTON

793.94/4951 : Telegram

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

SHANGHAI, April 2, 1932—1 p.m.
[Received April 2—6:10 a.m.]

My March 31, 1 p.m.

1. Negotiators met this morning at 10 a. m. and within a short time adopted the last paragraph of annex 1 to read:

"In the event of doubt arising in regard thereto the positions in question will be ascertained upon the request of the joint commission by representatives of the participating friendly powers members of the joint high commission."

2. Last paragraph of paragraph 3 also accepted in the same wording.

3. Last paragraph of annex 4 accepted to read:

"The commission will in accordance with its decision watch in such manner as it deems best the carrying out of the provisions of articles 1, 2 and 3, of this agreement.["]

4. Discussion then proceeded to taking up article 3 and that 2 [*annex 3?*] and it was agreed to carry this question over until next meeting as the Japanese were awaiting instructions from Tokyo.

5. Meeting adjourned until Monday, April 4th, at 3 p. m.

JOHNSON

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[38] The Department replied in telegram No. 107, April 3, 2 p.m.: "Withhold action until further instructed." (693.002 Manchuria/39)

793.94/4949 : Telegram

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

SHANGHAI, April 2, 1932—2 p.m.
[Received April 2—4:28 a.m.]

In meetings of military subcommittee which Drysdale has been attending on my behalf Japanese are now insisting that Chinese indicate position of their troops east of Whangpoo River. Yesterday afternoon Lampson and I took this question up with Shigemitsu and pointed out that we were somewhat surprised at this demand as we had all along considered that Chinese positions in question were those north and west of Soochow Creek and immediately facing Japanese lines. Chinese lines south of Soochow Creek are in front of British and French troops who are not interested in their positions and there has been no attack by Chinese from south of the Whangpoo. We hope Shigemitsu is going to be able to persuade his military to drop this request.

JOHNSON

793.94/4952 : Telegram

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

SHANGHAI, April 2, 1932—3 p.m.
[Received April 2—7:40 a.m.]

Your 124, March 31, 3 p. m.

1. My British colleague and I are constantly in consultation between ourselves, and with Quo and Shigemitsu, with a view to finding some way of turning the very difficult corner which has developed in connection with article 3 draft B and annex 3. We invited Shigemitsu and Quo to have tea with us last evening and for an hour or more explored the possibilities of a compromise. British Minister and I pled with both sides to consider facts and psychology of the situation and to bear in mind that it was most important that we do not adjourn without some kind of an agreement even if agreement must be to disagree on this particular point leaving other matters to stand in a signed and agreed document. I suggested that Sir Miles draft the amendment to read "The further withdrawal of the Japanese forces to the areas mentioned in the first sentence of article number 3 will be completed as soon as possible in accordance with the spirit of the resolution of March 4th and the discussion which preceded its adoption" in order to avoid the use of the words "conditions of local security" to which the Chinese object as being so vague as to permit of too wide an interpretation. And further to omit Chinese desire for a timetable and to reduce objection to a timetable specified in the agreement I suggested that Japanese consider whether it would not be

possible for them independently of this conference but simultaneously with signing of the agreement to issue either as orders to the Army or as a proclamation to the Japanese community at Shanghai a statement by General Shirakawa welcoming the conclusion of negotiations as an indication of return to conditions of local security announcing accomplishment of the mission of the Japanese expeditionary forces and a program for its immediate withdrawal. Shigemitsu indicated a desire to discuss this suggestion with General Shirakawa.

We met again this morning and the Department will note my April 2, 1 p. m., made considerable progress. This leaves every question settled except the very important points of (*a*) fixing the Chinese positions, (*b*) fixing the localities to which Japanese troops will be withdrawn and reaching some understanding regarding withdrawal of Japanese forces. Shigemitsu informed us that his Government was now considering the Lampson paragraph. We therefore adjourned to meet Monday.[39] Both Lampson and I hope that a way will be found as both sides appear to want to find a way.

Quo told me last night that he was in a most difficult position in regard to this matter and felt that there was nothing left for him to do but resign and make a statement as he did not feel that he could assume the responsibility of signing an agreement that did not contain some definite time limit upon the retention of Japanese forces here. I urged him not to take this step until all possible courses had been explored but I feel convinced that public feeling among Chinese is such that it will be difficult for Chinese Government to support any understanding that will result in retention of Japanese forces here. Chinese public is not going to reason in regard to this matter. . . .

Lampson and I have as a final suggestion, which we will not make until it is evident that no other suggestion will serve, that both sides as indicated above agree to disagree on this point leaving rest of agreement stand, Chinese to sign with a statement to the effect that they will not consider agreement to have been implemented until first sentence of article 3 of draft B has been carried out.

JOHNSON

793.94/4955 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, April 2, 1932—5 p.m.
[Received April 2—1:33 p.m.]

130. I was informed for my "strictly confidential and personal information only" from source mentioned in my 129, April 2, 4 p. m.,[40]

[39] April 4.
[40] Not printed.

that Ambassador Matsudaira late yesterday afternoon informed the Foreign Secretary "in substance" that if League of Nations took action indicating interference in the Manchurian situation Japan would regard it as an unfriendly act and withdraw abruptly from the League.

My informant added there might conceivably follow from the statement of Japanese Ambassador a situation suggesting the need of invocation of article 16 of the Covenant, with a maturer reflection by England of her far-flung undefended Far Eastern possessions and her policy of naval disarmament in recent years.

Further reflections were made along the line indicated in the last sentence of paragraph number 1 of my confidential telegram 125.[41]

ATHERTON

693.002 Manchuria/41 : Telegram

The Acting Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, April 2, 1932—6 p.m.

106. Your 127, April 2, noon. Department is studying Foreign Office memorandum communicated in your 126, April 1, 5 p.m. and will reply thereto at earliest possible moment.

Meanwhile, the text of this memorandum confirms the Department's impression, gained from your reports of previous conversations with the Assistant Secretary of State, that the Foreign Office has not correctly construed the terms of our inquiry.

The major objective which we have had in mind in this connection is preservation of the principles of the Nine-Power Treaty, especially of Article 1. To that end, and in conformity with the position which we took in our identic notes to Japan and China of January 7 and which the League of Nations took in its resolution of March 11,[42] it seems to us advisable to refrain from giving any assistance toward or countenancing any steps taken by the Manchuria authorities, whether with or without Japanese instigation or support, in contravention of those principles. The Foreign Office however seems to be thinking rather or primarily of the narrower question of the maintenance of the integrity of the Maritime Customs Administration, even at the price of impairing the more broad position and the principle of non-recognition in relation to *de facto* developments in and with regard to Manchuria.

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[41] Not printed.

[42] For text of resolution, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 210.

Such being our estimate, we believe that, toward making clear the fact that we and they are talking about two different things, and in order that they may clearly understand what we are talking about, as we now understand what they are talking about, it would be well for you to give them the substance of the first two paragraphs and the first sentence of the third paragraph of Department's 105, April 1, 4 p.m. At the same time, you should inform them of the substance of above and should state that we hope that they will give thought to the major objective which we have in mind, while we take under consideration the objective which is dealt with in their memorandum under reference.

CASTLE

893.01 Manchuria/91 : Telegram

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

PEIPING, April 3, 1932—2 p.m.
[Received April 3—4:15 a.m.]

402. Following from American Consul General at Harbin:

"April 2, 11 a.m.

1. Postal Commissioner informed me that post office is carrying on as usual and would do so until instructions received from Nanking, that negotiations regarding post office were being conducted at Mukden and that all the representative[s] of the new government did here was to audit the accounts of the post office.

2. Customs Commissioner informed me that the Bank of China is still holding customs revenue subject to orders of new government, that he is expecting a demand that customs be handed over and that his instructions are only to yield in case of *force majeure.*

3. New Kirin, supported by Japanese troops still engaged in battles with Ting Chao's and Lius' [*Li Tu's*] troops, who are offering stubborn resistance near Fangcheng. New Kirin troops apparently useless unless aided by Japanese forces. I believe situation here will become worse as summer advances.

4. New Kirin and Japanese troops find it difficult to defeat irregular Chinese forces operating at and near Nungan. These latter forces recently captured four motor trucks laden with several hundred thousand rounds of rifle ammunition and several thousand mortar shells intended for new Kirin."

For the Minister:
PERKINS

893.51 Salt Funds/99 : Telegram

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

SHANGHAI, April 4, 1932—10 a.m.
[Received April 4—3 a.m.]

I have received a letter from the two chief inspectors of Salt Revenue, dated March 30th, in which they request, under instructions of the Minister of Finance, that the American Government make urgent appropriate representations to the Japanese Government regarding the refusal of the local authorities in Manchuria, assisted by Japanese advisers and backed by Japanese military forces, to respect the rights of the Chinese Government to the revenues of the salt monopoly; the letter points out that the Salt Inspectorate in China had been set up pursuant to agreements whereby its collections were pledged for the service of international loans. The taking over of the Inspectorate offices in Manchuria is characterized as altogether unprecedented, as destroying its functions in Manchuria, as breaking up the integrity of the Salt Inspectorate as a whole.

Text by mail.[43]

JOHNSON

793.94/4957 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, April 4, 1932—2 p.m.
[Received April 4—9:35 a.m.]

75. H. H. Kung who is in the innermost Government and Party councils called April 4, 11 a. m., to tell me very confidentially that Chiang Kai-shek and others in the Chinese Government wished to ascertain whether the American Government would make available to the Chinese Government for use against Japan surplus stocks of war material. Kung expressed the belief of the Chinese Government that unless the present attempt of Japan to acquire control of Manchuria were foiled, war between Japan and the United States in the immediate future would be inevitable. He insisted that in respect to the violation of international law and covenants and in provocation to a world war the present invasion of Manchuria and the invasion of Belgium by Germany were exactly parallel. He said that China was both willing and able to expel Japan from Manchuria but was without the necessary military equipment and would be obliged to acquire such equipment on credit. The Chinese Government therefore was very anxious to

[43] Not printed.

know, he said, whether the American Government would supply equipment on credit either directly or through private American firms in order that China might wage warfare which would be equally in defense of China and of your ideals as opposed to Japanese imperialism. He regretted that the urgency of the matter did not permit him to await his return to Shanghai to place this inquiry with the American Government [*Minister?*].

Repeated to the American Minister only.

PECK

793.94/4965 : Telegram

The Chargé in Great Britain (Atherton) to the Secretary of State

LONDON, April 4, 1932—3 p.m.
[Received 3:22 p.m.[44]]

133. I venture for a more complete explanation the following background to my conversation with the Prime Minister reported hereinafter, of which I had prepared a memorandum for delivery to you.

After the Prime Minister dictated the reply contained in my 129, April 2, 4 p.m.[45] he expressed his very deep satisfaction that with your European visit[46] he was to renew the personal consultations with you interrupted by his recent illness. . . .

. . . . . .

3. He reported the information contained in my 130, April 2, 5 p.m., to which subject I returned, after his digressions as to conditions, suitability, et cetera, as often as the conversation permitted. In substance the Prime Minister said that it was foreseen some time ago by critics of the League that members might well be actually in a state of war, without a formal declaration of war, in order to escape the penalties placed upon war by the Covenant. This was in fact what had happened in the present instance, although the Chinese had almost "put the fat in the fire". During the last Far East discussions in Geneva the Chinese had drawn up a resolution which a League representative agreed formally to present. This resolution declared that Japan by her actions was in fact in a state of war with members of the League.

This League representative showed this resolution to Sir John Simon who said that he would have nothing to do with it and that if it were presented he would deny all knowledge of it. Eventually [*Actually?*] the resolution just escaped presentation, but the Prime

[44] Telegram in three sections.
[45] Not printed.
[46] See vol. I, pp. 104 ff.

Minister said this showed how near Japan had been to open conflict with members of the League. The Prime Minister continued in substance that one must realize that Japan on her part had probably considered that a situation might develop out of the Manchurian crisis where the League might invoke article 16, or that she possibly had foreseen a situation where the League might direct the use of force against Japan by members of the League. The Prime Minister continued that the British Government had reason to believe that Japan had studied such possible emergencies. At any rate he was certain that Japan had studied the advantages accruing to her in pursuing her Chinese policy should she at any time occupy by force all of China's treaty ports.

The Prime Minister said that a Japanese Consul in Malaya had asked a British official stationed there "what would be the attitude of the British Government if Japan did extend the use of force in China". I asked the Prime Minister why he attached importance to this possibly casual question of a Japanese Consul and he said that he felt that it was an indication that Japan was systematically seeking information in view of possible contingencies. England had interests not only in Hong Kong and the Malay Peninsula but all through the East. The Prime Minister added, "If the Japanese did occupy Hong Kong what could we do? We could put no fleet in the Far East comparable to the strength of Japan. We have lost bases and we have stopped work dramatically [*on them?*]. So much for naval disarmament."

He then intimated, but did not state in so many words, that the situation (I did not feel like asking him whether he meant within the Cabinet or internationally but gathered he unconsciously included both) was such that England must consider a review of her position under her past naval program.

The Prime Minister continued, "My whole foreign policy, as you so well know, is based on cooperation with the United States. I have informed Simon to keep in close touch with you while he is in London, and to do nothing while he is in Geneva without consulting Norman Davis and Wilson. Simon tells me that he has followed that instruction although at times he and Davis could not agree. But England["], continued the Prime Minister, ["]is a member of the League and must maintain her obligations for each. Fortunately I have succeeded in [the extent?] that the members of the League and the United States are now all leaning on the same fence, and I think the fence is strong enough to support us all.["]

["]But,["] asked the Prime Minister, ["]what is the position in the United States? How far are you ready to take action beyond what you, with the League, have already taken? We all have problems on our hands just now probably severe enough that we would like to avoid attitudes that might lead to actual hostilities in the Far East. The League cannot invoke article 16 without causing conflict.["] I said I had no knowledge, personal or official, of my Government's conception of policy in the Far East beyond the expressions already made. The Prime Minister then asked me what I personally thought. I answered that if we considered our present position vis-à-vis Japan, as made by recent declarations, as the *status quo*, then there were obviously a right and a left. On the liberal left lay the hope that, first, natural world economic forces; second, Japan's desire as a proud race to stand well in the eyes of the world; and, third, the large liberal element in Japan itself (which by force of circumstances was understood to be expressionless) might be able to bring Japan back into the vindication of world sanity; on the right lay a policy of coercion made necessary by circumstances. Before adopting this we must be certain that it would accomplish its end and not merely result in intensified Japanese nationalism, entirely suppressing the Japanese liberal element and bringing economic ruin. The Prime Minister asked me if I had ever been stationed in Japan and when I said yes he said that my remarks interested him because they were identical with the observations as presented from Ambassador Lindley.

ATHERTON

793.94/4964 : Telegram

The Consul General at Nanking (Peck) to the Secretary of State

NANKING, April 4, 1932—3 p.m.
[Received 7:12 p.m.]

76. Chinese military officers in Nanking in conversation have unofficially warned the Consulate General that hostilities may break out again after April 7 the day on which the League Commission passes through Nanking for Peiping. I am reliably informed that General Li Chai-sum, Military Affairs Committee, told Chinese newspaper correspondents today that unless the Japanese withdraw their troops from the occupied areas within 2 weeks China will have no recourse but to fight to the finish. A responsible Chinese civilian official explained to me that the Government has reason to think that the Japanese intend to resume hostilities after the League Commission has proceeded northward. He asserted ardently that the Government will

adhere to its announced policy of resisting attack and of refraining from taking the initiative in fighting. Repeated to the American Legation and the American Consulate General at Hankow. Mailed in plain to the American Minister at Shanghai.

PECK

793.94/4956 : Telegram

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

SHANGHAI, April 4, 1932—7 p. m.
[Received April 4—9:50 a. m.]

1. Conference convened at 3 p. m. today and Japanese at once brought up question of Chinese positions in Pootung as indicated in my April 2, 2 p. m. They argue that they cannot withdraw any troops and leave their rear unprotected. Matter was reserved for further consideration by the Japanese.

2. Discussion then turned to the question of Japanese withdrawal, the Japanese offering the following in substitution for Sir Miles' suggestion for a paragraph in annex 2:

"The Japanese Government take this opportunity to declare that as soon as the local conditions in and around Shanghai so improve as to afford a sense of security to the Japanese nationals as regards the protection of their lives, property and lawful pursuits, the Japanese troops will be further withdrawn to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of January 28th, 1932."

This to be issued as a voluntary statement or declaration by the Japanese.

3. The Chinese said this was unacceptable to them as it did not complete the program for withdrawal by setting a timetable. Quo suggested adding to following effect at the end of Japanese proposal:

(*a*) "Which they expect to be completed before (blank) or not later than (blank)" or
(*b*) "They expect to be able to complete final withdrawal within a period of (blank)"

4. After much discussion it was agreed that the Japanese would refer the Chinese suggestion to Tokyo while the Chinese would refer the Japanese proposal to Nanking and that we would meet again.

JOHNSON

693.002 Manchuria/36 : Telegram

The Consul at Geneva (Gilbert) to the Secretary of State

GENEVA, April 5, 1932—11 a.m.
[Received April 5—9:05 a.m.]

136. Consulate's 130, March 24, 10 a. m. The Secretary General has circulated the following letter dated April 2 from Sato:

"With reference to the communication from the Chinese delegation dated March 22nd I have the honor to inform you that it is entirely untrue that the Japanese authorities have taken measures to seize the customs revenue in Manchuria or taken steps with a view to this revenue being transferred to the government of the state of Manchuria.

It is also untrue that the Japanese authorities are insisting on appointments to the customs staff and all tariff changes being submitted for the decision of that government.

All these questions are within the competence of the government of Manchuria and not of the Japanese authorities, the Japanese Government being in the position of a third party with regard to the maritime customs of Manchuria. The news of a proposed customs union between Japan and Manchuria is also inaccurate.

The Japanese Government is not aware of the intentions of the government of Manchuria with regard to the payment of the service of foreign loans and other subjects mentioned in the Chinese communication. It does, however, note the assurances given by the Minister for Foreign Affairs of that government in his telegram of March 12th last addressed to the Ministry for Foreign Affairs of Japan and other powers, to the effect that the government of Manchuria has decided to respect international undertakings and, in particular, the maintenance of the open door."

GILBERT

793.94/4957 : Telegram

The Acting Secretary of State to the Consul General at Nanking (Peck)

WASHINGTON, April 5, 1932—1 p.m.

35. Your 75, April 4, 2 p. m.

1. It is the policy of this Government to refrain from disposing to foreign powers of arms, ammunition and implements of war. This of course applies to the sale by this Government of surplus stocks of war material not only to China but to other countries as well. This policy necessarily precludes favorable consideration of the inquiry made of you by Kung.

2. You will recall the reluctance with which the administration has on certain occasions assented to the sale by the War Department to

private American firms of certain equipment in small amounts necessary as accessories to make possible fulfillment of contracts with the Chinese Government for delivery of airplanes. These few cases have constituted exceptions and it has been specified in connection with each that it should not be regarded as establishing a precedent.

3. The Executive Departments of the Government have no authority to sell any goods on credit, and it would be impossible for them to do so without first having legislation giving such authority.

4. You should explain the above and you should state that the American Government continues to hope that the extremity of war between China and Japan will be averted and the rights of all the powers concerned and the confidence which the world has reposed in treaties be vindicated by peaceful means.

Repeat to the Minister.

CASTLE

793.94/4967 : Telegram

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

SHANGHAI, April 5, 1932—10 p.m.
[Received April 6—3:55 a.m.[47]]

My April 4, 7 p.m.

1. My British colleague and I agree that perhaps the time may have come when it would help us here if our Governments could speak to the Japanese Ambassadors at London and Washington. My British colleague has wired suggesting this.

2. It has been our understanding from the beginning that the conference between Japanese and Chinese negotiators in our presence has been for the purpose of bringing about cessation of hostilities here in Shanghai and the regulation of the withdrawal of Japanese forces. Chinese forces retired on March 3d and except that they were pursued by the Japanese there has been cessation of hostilities as of that day. In the present negotiations the Japanese have from the beginning dealt with matter as a purely military question and have made negotiations difficult; (1st) because they insisted on a wide interpretation of word "hostilities"; (2d) by demanding under the article of draft B calling for designation of Chinese positions that Chinese designate positions of their forces south of Soochow Creek and on other side of Whangpoo; (3d) by refusing to give any suggestion as to the time within which the Japanese troops would be withdrawn.

3. As to the first question, implication of Japanese demands has

[47] Telegram in two sections.

been that they desired to include in definition of word "hostilities" all anti-Japanese activities. As to point 2, Japanese have argued that unless Chinese designate positions of their troops south of Soochow Creek and on other side of Whangpoo Japanese forces cannot be reduced as they will otherwise feel that their rear is exposed to attack from Pootung. In regard to point 3 the Japanese have all along insisted that they cannot consent to any timetable for the reduction of Japanese forces.

4. We have had 11 meetings and some 34 hours of talk. As a result of this talk we have finally gotten the Japanese to accept article 1 of draft B with the words "and every form of" inserted between the words "all" and "hostile act" but the two sides are still far apart in regard to point 2 relative to Chinese positions south of Soochow Creek and on the other side of the Whangpoo. Sir Miles and I feel that it can serve no useful purpose for the Japanese to insist upon this point. Chinese positions south of Soochow Creek are opposite the French and British sectors of the Shanghai defense perimeter; neither the British nor the French are interested in these positions as there has been no threat by the Chinese from that direction nor has there been any attack upon the Settlement nor upon the Japanese forces farther south of Whangpoo; and we are loath to support the Japanese in requesting Chinese to place their forces in that direction in the same category with those with which the Japanese forces have been in contact. The Japanese argue that unless they can include these areas among those mentioned in article 2 of draft B they will feel unable to withdraw their troops from their present positions or to reduce their number lest they become exposed in their rear. This seems to us an absurd claim unless it covers an intention on the part of the Japanese to obtain through this agreement the demilitarization of this area around Shanghai. The Chinese suspect the latter and we feel that there is reason for their suspicion and we do not wish to be involved in urging Chinese to yield on this point.

5. The Japanese state with regard to the third point that the time within which their troops can be withdrawn from this area is directly related to and contingent upon Chinese willingness to designate the positions of their forces south of Soochow Creek and on the other side of Whangpoo. This attitude on the part of the Japanese tends to confirm our suspicion that Japanese intend to use us for the purpose of obtaining demilitarized area around Shanghai or intend to hold their forces in Shanghai until Chinese are prepared to concede this point.

6. From the above it will appear that I am of the opinion that the Japanese are proving recalcitrant in the present negotiations; that

they are not above attempting to use them for the purpose of attaining ends favorable to Japan.

7. I therefore wonder whether it would not be possible for you to call in the Japanese Ambassador and endeavor to persuade his Government to be more conciliatory here at Shanghai. I make this suggestion with a considerable amount of diffidence for it has been amply evident all through these strange negotiations that Shigemitsu counts for very little here although he is the representative of the Japanese Government. He defers always to the military delegates who treat all questions from a purely strategical and military angle. I feel fairly sure that the same situation prevails in Japan itself.

8. However, I am making the above suggestion for my British colleague and I are at our wits' end. Negotiations threaten to go on indefinitely with no progress unless we can persuade the Japanese to limit their demands within the spirit of the League resolution of March 4th.

JOHNSON

693.002 Manchuria/44 : Telegram

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

SHANGHAI, April 6, 1932—6 p.m.
[Received April 6—9:05 a.m.]

Your 129, April 5, 5 p.m.[48]

1. British Minister has not received memorandum mentioned in your 128, April 2, 6 p. m.[49] Upon its receipt we will confer and I shall telegraph further.

2. It is Lampson's understanding that British Government's attitude is that if any formal representations are to be made at Tokyo they should relate to independent state of Manchuria rather than to Customs Administration. I infer his Government does not desire to deal with these matters on a piecemeal basis; that British Government and the Minister here hope that pending time when more formal representations might be made Chinese Government would not be averse to permitting Customs Administration through Inspector General Maze and by purely internal and departmental methods reach some *modus operandi* with the customs' own people in Manchuria, whereby it might be permitted to function without hindrance.

3. I am informed that collections in Manchuria continue to be put into Government treasury here. I am also informed that British

[48] Not printed.
[49] Not printed; for memorandum, see telegram No. 126, April 1, 5 p.m., from the Chargé in Great Britain, p. 656.

Ambassador at Tokyo has on at least three occasions informally discussed customs question with Japanese Minister for Foreign Affairs, who on each occasion expressed himself as opposed to any interference with the integrity of the Customs Administration insofar as Manchuria was concerned, but doubted whether the situation could be helped in view of the fact that Nanking was opposed to permitting Customs Administration by purely departmental means to effect a *modus operandi.*

Lampson tells me confidentially that he believes Chinese Government is becoming more reconciled to this suggestion and he thinks matter may be worked out. I see no reason, however, why our Embassy at Tokyo should not at least make informal inquiry as to attitude of Japanese Government toward integrity of Chinese Customs Administration.

4. Minister of Finance asked Lampson yesterday whether British Government could not mention Salt Administration at Tokyo in the same light as the customs and as an instance of disruption of an administration responsible for the credit of the Government. Lampson replied that this was a matter which might be considered. I believe he had referred question to London and now awaits instructions.

Lampson informed me, however, that British attitude in regard to Salt Gabelle was that T. V. Soong having practically torn up the 1912 agreement,[50] they had been disposed to hold him responsible for the fulfillment of China's financial obligations. British Minister's reaction to Soong's request was that he could hardly have the matter both ways. It suited his purpose some time ago to throw the administration which had been organized under the 1912 agreement into the discard. Now with the pinch in Manchuria he was disposed to run to the British to seek protection for that administration.

I shall comment further in regard to all these matters as soon as British Minister receives memorandum in question.

JOHNSON

493.11/1625 : Telegram

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

PEIPING, April 7, 1932—11 a.m.
[Received April 7—2:15 a.m.]

418. Department's 88, March 18, 6 p. m.

1. Consul General Myers in despatch dated April 1st transmits letter

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[50] See draft telegram adopted June 20, 1912, *Foreign Relations*, 1912, p. 141; also texts printed in J. V. A. MacMurray (ed.), *Treaties and Agreements With and Concerning China, 1894–1919* (New York, 1921), vol. II, pp. 967–73, 1013, 1021 ff.

from Mukden representative of Standard Oil Company requesting him to advise the present Fengtien provincial authorities of the possible losses sustained by the Standard Oil Company due to lootings in South Manchuria. Company fears that failure to notify present *de facto* provincial authorities at the present time will prejudice rights when claims are actually filed.

2. Myers states that he perceives no objection to his notifying the present *de facto* provincial authorities informally in regard to the lootings.

3. In view Department's above-cited telegram and Department's telegram of March 2 [*12*], 2 p. m., to the Consul General at Shanghai, both of which were forwarded to Mukden upon receipt by the Legation, I am instructing Myers to refrain from presenting claims to the present *de facto* provincial authorities, informally or otherwise.

For the Minister:
PERKINS

793.94/4982 : Telegram

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

SHANGHAI, April 7, 1932—1 p.m.
[Received April 7—4:26 a.m.]

1. Negotiations began at 10 a.m. today when Japanese brought up question of position of Chinese troops south of Soochow Creek and east of Whangpoo. Japanese ask whether Chinese position is that troops there are not covered by article 1 of draft B or whether they consider them not to have been involved in hostilities. If first is the case they cannot accept Chinese point of view, if second then they are willing to consider the question. Chinese contend in reply that soldiers in these places were not involved in hostilities and therefore do not come within the scope of these discussions. After long discussion during which it was increasingly evident that the Japanese are depending upon this point to obtain demilitarization of area around Shanghai, it was agreed to refer matter to military subcommittee to find some way of meeting Japanese fears as to their rear.

2. Meeting adjourned until 3 p.m. today to consider annex 2.

JOHNSON

693.002 Manchuria/46 : Telegram

The Acting Secretary of State to the Chargé in Great Britain (Atherton)

WASHINGTON, April 7, 1932—3 p.m.

113. Department's 106, April 2, 6 p.m., your 126, April 1, 5 p.m., in

regard to Foreign Office memorandum on subject of maintenance of integrity of Chinese Customs Administration, and previous.

It appears that the objective envisaged by the Foreign Office in this connection is different from that envisaged by the Department. The Foreign Office manifests concern for the maintenance of the integrity of the Chinese Customs Administration. The Department is concerned with the broader question of the maintenance of the administrative integrity of the Chinese State.

It is quite true that establishment of a separate customs administration (or separate salt and postal administrations) may be regarded as one among the logical consequences of the establishment of an independent state.

However, admitting that as perhaps axiomatic, it is quite another thing to give countenance to action on the part of political authorities who claim to be acting on behalf of an independent state, whose right so to act is not admitted and whose state is not recognized, by acquiescing without protest in situations which those authorities create or which are created through them.

It is not the Department's understanding that the authorities at Canton declared independence of China. The Nanking Government could make "compromises" with the Canton authorities without creating the implication and risking the consequences which would follow from its making similar arrangements with the present administration in Manchuria. Any assistance which foreign powers may give toward bringing about a compromise arrangement between the present Manchuria administration and the Nanking Government must in effect amount to a contribution to the cause of the Manchuria administration and thus to the cause of any and all who are endeavoring to make Manchuria a separate state. Acquisition by the Manchuria administration of an annual revenue in the amount of some 20 million dollars (sequestered from customs receipts which belong to China) would contribute substantially toward the success of the effort which is being made to sever Manchuria from China. That effort is in plain disregard of the declared views, policies, rights or interests of various governments and the recent resolutions of the League. The same may be said of steps which are being taken in Manchuria in relation to the salt administration and the postal service.

Such evidence as the Department has indicates that Japan not only has instigated the establishment of an independent state but has taken the initiative in regard to and has practical direction of all important action taken by the new administration in Manchuria. Japan's denials do not alter the facts, and the replies, if any, which the Japanese might

make to objections registered and reservations made by foreign powers would not render those objections and reservations invalid.

Notwithstanding the reports made by the ambassadors at Tokyo of several powers with regard to the effect in Japan of the course which has been pursued by foreign governments in making representations of various types to the Japanese Government during the past few months, it is this Government's estimate that this course will in the end result in more of advantage than of disadvantage from point of view of the policies and the interests of the various foreign countries most concerned and the interest of the world at large.

We note the statement that during the last few weeks His Majesty's Government has made every effort, by means of advice, expostulations and private negotiations, both at Tokyo and at Nanking, to save the integrity of the Chinese Maritime Customs. We feel that the effort should be more broad, that it should be directed toward preservation of the integrity of the Chinese State, that it should concede nothing which may undermine that integrity, and that it should be participated in by other powers. Mere present preservation of the integrity of the Chinese Maritime Customs will be but a temporary thing if a separate state of Manchuria becomes an enduring fact. Preservation of the integrity of the Chinese customs revenues is a more important objective than preservation of the integrity of the machinery for their collection; and preservation of the integrity of the Chinese State is even more essential toward any lasting preservation of the integrity of one of its agencies.

The declaration of the independence of Manchuria and the request by the Manchuria administration for recognition were political acts which could best be met by silence. But administrative acts by that administration call for action in the nature either of acquiescence or of objection by persons and/or states affected by that action. If we make no objection, we contribute toward making successful the efforts of those who are responsible for these activities. By objecting we might place obstacles in the way of their success.

With regard, however, to the suggestion of the Foreign Office that if the American Government still desires that representations be made, these representations should be made orally and simultaneously to the Japanese Ambassadors in Washington and in London respectively, and thus only, it seems to the Department that such action would distinctly and definitely imply that we consider that the Japanese Government alone is responsible with regard to the acts in relation to

which the representations are being made; whereas, if these representations were made in the form of notice given at Tokyo, at Nanking and in Manchuria, as we have suggested, the implication would be that it is our desire to have our position on record with any or all authorities who may be responsible for or party to the action to which we object. It is our estimate that representations made orally and to the Japanese Ambassadors only would have little or no advantageous effect, in that (*a*) they would be reported to only one of the various authorities concerned—that one being the one least likely to be moved by them—and (*b*) they would leave nothing of record; and they might have disadvantageous effect, in that they would give the Japanese the impression that we consider that authority with regard to the matter rests with them alone.

At the same time we realize that there are considerations which warrant doubt with regard to the practical expediency of making representations simultaneously at Tokyo, at Nanking and in Manchuria.

Such being the case, it occurs to us that it might be practicable and helpful if various governments would make simultaneously public statements similar or identical in text emphasizing the interest of the world in relation to the Chinese Customs, Salt and Postal administrations, outlining the situation and the facts with which we are confronted in consequence of action taken by the Manchuria administration, expressing objection, and making reservation. If the Foreign Office views this suggestion with favor and as acceptable in principle we are prepared to submit for its consideration a draft of such a proposed public statement.

We feel that silence by the powers at this juncture cannot but contribute to the strengthening of Japan's position and the undermining of the rights and interests of the other powers individually and collectively. We feel that some at least of the powers concerned should speak. We do not feel called upon to do this by ourselves. We would be glad to speak in concert with the British Government. We have also in contemplation the possibility that the League of Nations may be pondering the situation and might welcome suggestions with regard to possible courses of action.

Please review previous communications on this subject, inform the Foreign Office of the above, and state that we would welcome indication at the earliest possible moment of their views in the light thereof.

CASTLE

793.94/4983 : Telegram

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

SHANGHAI, April 7, 1932—8 p.m.
[Received April 7—11 a.m.]

My April 4, 7 p.m., paragraph 2; and April 7, 1 p.m., paragraph 1.

Negotiators reconvened at 3 p.m. and commenced discussion of annex 2 and article 3 relative to the withdrawal of Japanese forces. Chinese state Japanese formula is unsatisfactory as it introduces the element of security while old article 3 was more satisfactory as it specified only physical reasons for retaining troops outside Settlement. Chinese stand on original article 3 and consider that all that remains is the fixing of a timetable conformable with physical limitations. They feel that question of security is taken care of by the fact that there has never been any threat against the Settlement and as a special measure they are preparing a special constabulary to take over evacuated areas from Japanese.

2. There appears to be a complete deadlock between the two sides. Lampson summarized situation as presenting three alternatives:

(*a*) Accepting Japanese declaration as quoted in my telegram April 4, 7 p.m., but with the words "and they hope that conditions will have so improved within 6 months or sooner" inserted between the words "pursuits" and "the Japanese troops".

(*b*) Agreeing to disagree—"the Chinese Government in taking note of the declaration of the Japanese Government that: (insert here original Japanese declaration as quoted in my April 4, 7 p.m.) hereby place on record their understanding that the terms of the present agreement for rendering definite cessation of hostilities and regulating withdrawal of the Japanese forces in accordance with the resolution of the Assembly of the League of Nations of March 4th, will not be finally implemented until the Japanese troops have been withdrawn to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident January 28, 1932, in accordance with the provisions of article 3 of the agreement."

(*c*) Have no agreement at all.

3. Quo suggested a fourth, namely, that we recognize the deadlock and the two nations report to the League Committee under whose auspices and supervision negotiations were being carried out while representatives of the four friendly powers participating at the request of the League report independently to their several Governments. General Uyeda expressed the opinion that it was too soon to take this step and stated that he would refer alternatives 1 and 2 to his Government.

4. Sir Miles then suggested that both sides refer alternatives 1, 2 and

2 (*a*) to their Governments for consideration. Text of 2 (*a*) as follows:

"The Chinese authorities in concluding this agreement for rendering definite cessation of hostilities and regulating withdrawal of the Japanese forces in accordance with the resolution of the Assembly the League of Nations of March 4th hereby place on record their understanding that the spirit of the said resolution and the terms of the present agreement will not be finally implemented until the Japanese troops have been withdrawn to the areas in the International Settlement and Hongkew district occupied by them before the incident January 28, 1932, in accordance with the provisions of article 3 of this agreement".

This was accepted and conference adjourned until April 9, 3 p.m.

JOHNSON

793.94/5007 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 8, 1932—10 p.m. [*midnight.*]
[Received April 9—12:43 a.m.]

My April 5, 10 p.m.

1. I desire to add the following to what I have said regarding the situation here as it relates to Japanese intentions. A little over a week ago I took a walk along the Chungshan Road which parallels Shanghai-Nanking Railroad where it enters Chapei and I crossed at a point on this road opposite northwest corner of the International Settlement a line of trench and barbed-wire entanglement then under construction by Japanese. Direction of line indicated that it might coincide with certain points described in my March 21, 10 a.m. (see also paragraph 4 of my March 25, 8 p.m.). My observation was that line was strongly made, for in distance I could see concrete structures being built suggesting blockhouses. The other day I visited Woosung an area immediately adjacent to Yangtzepoo end of Settlement. At the latter place I saw wooden hangars which had been constructed to accommodate aeroplanes. Canvas hangars in addition on two large fields will accommodate more or less permanently a large number of planes. I am told that in the neighborhood of Woosung Village considerable activity is going on in connection with the above-mentioned barracks.

2. My British colleague and I contemplate directing our Military Attachés to apply to the Japanese for information as to the extent and character of defense system which they are constructing in that area.

3. When the meeting adjourned yesterday there seemed, as indicated in my telegrams, little prospect of agreement. It is apparent that neither side wishes to accept the responsibility for breaking negotia-

tions. It is a matter of speculation as to what Japanese will do when we meet again tomorrow at 5 o'clock. I am convinced that Chinese will not sign unless conference produces some timetable governing withdrawal Japanese forces. Quo fears personal attack and I believe his fear justified. He will either resign in order to avoid responsibility of signing or he will ask for an indefinite adjournment to enable his Government to appeal to the committee of the League.

4. To me it has seemed all along fairly clear that Japanese have been merely using Lampson and myself and these negotiations for the purpose of obtaining time for preparing their position here at Shanghai. The construction of a strong trench and barbed-wire entanglement along the March 21st line points in that direction. The fact that throughout these negotiations Japanese have at all time[s] insisted on stressing military side of questions brought up, further indicates line they propose to take.

5. It is my opinion that this line will be that they will keep and hold an area between the International Settlement and Woosung and east of the railway as a pledge to force the Chinese to accept terms in connection with boycott, anti-Japanese activities and other questions, possibly even questions relating to Manchuria.

6. There was a possibility hinted at yesterday by Japanese Minister in conversation with me that the Japanese may be willing to consider something in regard to time limit provided the Chinese agree to round-table conference on all of these questions exclusive of Manchuria.

7. My predisposition throughout all of these discussions has been that we were not interested in coercing the Chinese into accepting any settlement of these questions. Lampson has been following similar line.

8. The time will soon arrive when Lampson and I must decide whether or not we will permit ourselves to be further used for the purpose of cloaking Japanese aims. I am sending above merely to inform the Department of what is running in our minds here. Tomorrow we shall meet to give final consideration to the question of whether or not the Japanese and Chinese can agree as to withdrawal of Japanese forces.

JOHNSON

793.94/5004 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 9, 1932—10 a.m.
[Received April 9—2:15 a.m.]

424. Following from Consul General at Harbin:

"April 8, 5 p.m.

1. Local Japanese military mission confirms persistent Chinese reports that General Ma Chan-shan, who left Tsitsihar on March 3rd, is now at Taheiho. This would indicate that Ma had given up his post as Governor at Tsitsihar and Minister of War of the new régimé.

2. It is believed that Japanese pursuit of Tamon's forces is being hampered by bad condition of roads."

For the Minister:
PERKINS

893.20/320 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 9, 1932—1 p.m.
[Received April 9—3:12 a.m.]

Department's 121, March 29, 5 p.m.

1. Nanking telegraphs me as follows:

"April 7, 10 a.m.

My April 6, 3 p.m. General Whang, Director of the Aviation Bureau, told Reynolds April 6, 8 a.m., that French Air Attaché had arrived in Nanking April 6 and had talked with Assistant Director. French Attaché offered on behalf of the French Government to send a French military air mission to China immediately to organize a Chinese air force. Attaché strongly urged acceptance of this offer and said he could see no reason for delay. Whang told Reynolds he must talk with the French Attaché but wished to see Howard first if Howard could come to Nanking at once. Chiang Kai-shek is reported to be extremely eager to commence building up of Chinese air force. See my confidential letter of April 2nd. If Howard cannot come to Nanking immediately please inform me of the Department's reaction to the Chinese request for this assistance."

"April 8, noon.

Your April 5, 10 a.m. I told General McCoy confidentially April 2, noon, about desire of the Chinese that the American Government send an Army air mission to China and he prophesied that the Army would have nothing to do with this subject at this time. McCoy said that from his observation of popular feeling in Japan toward the United States any such action might provoke a declaration of war by Japan on the United States. I have just read your April 7, 10 a.m., confidentially to Howard. He tells me there are tentative plans for Captain Nelson, United States Army in Manila, to come to China on an invitation from Soong to be telegraphed by Arthur Young through Arnold to give advice regarding military air training. Howard has now telegraphed Arnold to consult you before sending such a telegram. Reynolds informed Director of the Aviation Bureau April 7th evening that the American Government could not discuss air mission at this time. Howard will see Director of Aviation Bureau today but will limit his own observations to project for establishment of training

schools with unofficial instructors and to the sending of Chinese students to the United States."

2. Howard has just come to me to ask whether he should in view of Department's 121, March 29, 5 p.m., facilitate communication between Chinese Government and Army officers at Manila who have accumulated leave which they could spend in China.

3. I have informed Howard that I feel that the Legation's instructions in this matter were categorical; that he should take no steps to introduce persons in active service of the Government for this purpose.

4. Howard is endeavoring to persuade Chinese Government that military mission is not what Government wants but that civilian aviation training will be more helpful. I suggest War Department be informed of substance of Nanking's April 8, noon, in order that it may consider advisability through orders issued in Philippine Islands to discourage United States Army officers from coming to China to engage in aviation training at this time.[51]

JOHNSON

793.94/5006 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 9, 1932—1 p.m.
[Received April 9—6:34 a.m.]

My April 7, 8 p.m., and April 8, midnight.

1. Japanese Minister came to see me this morning. He said that with the assistance of Matsuoka who had telegraphed directly to the Prime Minister he had obtained authority only this morning from his Government to accept alternative (*a*) in paragraph 2 of my April 7, 8 p.m. He said that unless the Chinese could be persuaded to accept this alternative he thought that there was no need for our meeting today as meeting would merely go over old ground. He then went to see Sir Miles to give him the same information. I told Shigemitsu that I would endeavor to see Quo and discover his attitude in the matter. I shall try to see Sir Miles before discussing question with Quo.

2. Before leaving Shigemitsu brought up the subject of round-table conference concerning Shanghai (see paragraph 6 of my April 8, mid-

[51] The Department replied in telegram No. 139, April 13, 5 p.m.: "This matter was taken up with the War Department which states that it has instructed the Commanding General, Philippine Department, to take such action as may be necessary to prohibit any officers of his command from accepting employment or giving advice or instruction such as mentioned."

night). When Shigemitsu mentioned round-table conference day before yesterday I stated that I did not know what such a conference could confer about. Conversation did not continue. Today he began by repeating my statement and I again said that I was at a loss to know what questions would be laid before it. I asked him whether Japan was interested in such a conference. He said that his Government assumed that there would be one as it had been mentioned in Geneva. I said that I had no instructions indicating that my Government was necessarily interested in the holding of the conference and that I did not believe that the Chinese were particularly interested in it. Japanese Minister indicated that his Government's interest was due to the fact that present negotiations under the resolution of March 4th were limited specifically to technical questions, all political questions having been excluded.

3. I infer that there are political questions which Japanese desire brought before such a conference. Shigemitsu's conversation with me indicated that he was merely interested in sounding me out on this question. Lampson tells me that Japanese Minister has not mentioned round-table conference to him recently.

JOHNSON

893.102 S/1070 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

[Extract]

SHANGHAI, April 9, 1932—5 p.m.
[Received April 9—6:13 a.m.]

1. As the Department is aware from telegrams and despatches from me and the Consul General there has been a good deal of agitation here among responsible foreigners long resident in Shanghai whose business interests are more or less limited to the city and its environs, particularly in real estate, for something to be done at this moment in regard to the establishment of what they are pleased to call a "free [port?]" plan for Shanghai. The chairman of the American Chamber of Commerce, Mr. Britton, accompanied by Bassett of the British-American Tobacco Company, called on me some time ago to tell me of these plans. A memorandum of my conversation with them was mailed to the Department with my despatch March 24th.[52] I told them that I was not aware that there was anything in the present situation of Shanghai

[52] Not printed.

to persuade the American Government to change its policy in regard to the future of the International Settlement.[53]

. . . . . .

JOHNSON

793.94/5008 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 9, 1932—10 p.m.
[Received April 9—noon.]

My April 7, 8 p.m.

1. Negotiators reconvened at 5 p.m. with discussion of alternative formulae. Japanese delegate reported that his Government accepts alternative one (see (*a*) under paragraph 2, my April 7, 8 p.m.) although it is far from meeting their wishes. Quo reported that Nanking does not consider any of the alternatives satisfactory and submits the following substitution for alternative 1:

"The Japanese Government take this opportunity to declare that the Japanese troops will as soon as possible be further withdrawn to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of January 28, 1932, in accordance with the provisions of article 3 of the agreement, it being expected that such withdrawal will be completed within a period of 4 months or sooner, during which normal conditions in and around Shanghai will have been reestablished."

2. Quo also produced Rengo News despatch from Tokyo, dated today to the effect that "the Japanese Government in the instruction expresses its intention to agree to the first measure in principle rather than the second and third, the acceptance of which may accompany the possibility of giving an excuse to the Chinese to evade the round-table conference in case agreement for cessation of hostilities was not fulfilled."

The Rengo despatch then states the Japanese Government wishes to emphasize that the clause expressing hope that conditions will improve within 6 months does not mean a promise to withdraw troops within 6 months, and that "opening of the round-table conference should be guaranteed in connection with the Japanese statement." Quo pointed out deplorable effect this news despatch will have upon his Government and the awkward position it placed him in. He asked Shigemitsu whether it was an official declaration of the Japanese Government.

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[53] The Department replied in telegram No. 138, April 12, 5 p.m.: "The Department has not yet received your despatch of March 24 but concurs in the view that the present is not an opportune time to bring up a question of this kind."

3. Japanese Minister replied he was surprised to see this news despatch, that it was entirely unofficial, that Rengo had no connection with the Japanese Government and that he himself had received no instructions either to interpret the formula or to attach any conditions and he authorized Quo to quote him on this.

4. Discussion then centered around Chinese formula quoted above. Shigemitsu said it was unacceptable and declined even to refer it to his Government. Sir Miles and I then suggested that it really did not differ so very materially from the formula chosen by Japan and urged both sides to agree to slight modifications in order to save the situation.

5. Lampson and I suggested following formula in lieu of alternative 1.

"The Japanese Government take this opportunity to declare that as soon as local conditions in and around Shanghai return to normal—and they hope that conditions will have so returned within 6 months or sooner—the Japanese troops will be further withdrawn to the International Settlement and that [*the?*] extra-Settlement roads in the Hongkew district as before the incident of January 28, 1932."

6. Quo reluctantly agreed to refer the new formula to Nanking although he said it would be contrary to his instructions as they had already made great concession by not insisting upon timetable. But the Japanese Minister declined to submit a fresh alternative to Tokyo because he felt the formula his Government had accepted was the best for both sides and if the Chinese did not agree to it then Tokyo was not bound either.

7. Shigemitsu finally promised that after consultation among themselves the Japanese delegation would let us know later in the evening whether they could refer the new formula to their Government. At 9 p.m. the Japanese Minister informed Sir Miles that they had decided to do so on condition that the Chinese would not offer any fresh alternatives.

8. Meeting adjourned till Monday.[54] JOHNSON

793.94/5009 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 10, 1932—11 p.m.
[Received April 10—11:25 a.m.]

My April 9, 10 p.m.

1. Quo told me today that Nanking is telegraphing Geneva to ask

[54] April 11.

Yen's advice. He says delegate General Tai Chi informed him last night after the conference that he would not sign and that Tai's failure to sign would make Quo's position impossible. He does not dare sign without a timetable.

2. Quo points out that Nanking is in a delicate position in view of the national emergency conference at Loyang and the agitation in Shanghai. Political elements are endeavoring to capitalize the situation. Quo hopes to have definite instruction from Nanking by tomorrow morning.

3. I told Quo that in view of his predicament as he described it, I saw no other course for him but to notify Lampson and the Japanese in order that we might prepare our reports to our respective Governments as required by the last paragraph of the Assembly resolution of March 4th, and to await results. I have exerted all reasonable pressure to obtain Chinese signature and think it extremely unwise to go farther.

JOHNSON

793.94 Commission/161 : Telegram

The Consul at Geneva (Gilbert) to the Acting Secretary of State

GENEVA, April 11, 1932—10 a.m.
[Received April 11—7:32 a.m.]

139. The Secretary General has circulated under date of April 9th to the members of the Council the following message from Lytton:

"At the Council meeting held on November 21st, 1931, the Italian representative stated on behalf of his Government that it would place at the disposal of the Commission all the facilities it possessed on the spot and that all the Italians on the spot would contribute towards the inquiry. The Commission has no doubt that all the other members of the Council with representatives here will desire similarly to facilitate the accomplishment of the Commission's task and that they will if necessary send instructions to this effect to their Legations at Peiping and their Consulates in Manchuria."

GILBERT

811.7493 (M) R.C.A./6

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck)

WASHINGTON, April 11, 1932.

On Wednesday, April 6, Dr. Hawkling Yen, Chinese Chargé called on me and read in translation from a telegram from Nanking in which

it was stated that the Radio Corporation of America was understood to be on the point of making a contract with the new administration in Manchuria with regard to use of the Mukden radio station. The Chinese Government hoped that the American Government would restrain the Radio Corporation from this action.

I explained to Dr. Yen that the American Government had no authority by which it could prevent action of this type by an American company. There followed argument by Dr. Yen to the effect that it was desirable that nothing be done which would facilitate the consolidation of the authority of the new Manchuria régime.

On April 8, Colonel Manton Davis of the Radio Corporation called on me and informed me with regard to developments in relation to the radio station at Mukden and the station at Shanghai. In relation to Mukden, he stated that the Corporation was concluding a contract with the new authorities which would be identical with the old contract but with the addition of certain articles or supplementary articles which would state that the action was provisional. There followed some discussion, in the course of which I said to Colonel Davis that the transaction would have to be considered strictly as one which the Corporation entered on its own responsibility and at its own risk; that the American Government could neither approve nor disapprove; and that it must be understood that the action was taken without anything in the nature of a "blessing" by this Government. In saying this, I followed the line of reasoning which is laid down in this Division's memorandum (RCM) of April 7.[55] Colonel Davis said that the Corporation so understood.

S[TANLEY] K. H[ORNBECK]

793.94 Commission/161 : Telegram

The Acting Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, April 11, 1932—6 p.m.

56. Your 139, April 11, 10 a.m. On February 5 and on February 25 the Department requested certain of its offices in Japan and China to extend to the League Commission and to General McCoy all proper assistance. The Department is today sending further supplemental instructions to the Legation at Peiping for transmission to the appropriate consulates.

You may so inform the Secretary-General.

CASTLE

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[55] Memorandum by Raymond C. Mackay not printed.

493.11/1627 : Telegram

The Acting Secretary of State to the Minister in China (Johnson)

WASHINGTON, April 12, 1932—3 p.m.

103. Your 418, April 7, 11 a. m. Department reserves judgment in the absence of additional information in regard to the losses sustained by the Standard Oil Company and particularly the dates upon which such losses occurred. Additional information may be submitted by mail, as, in the opinion of the Department, failure at the present time to notify the authorities of the present administration in Manchuria in regard to claims of the Standard Oil Company will not prejudice the rights of the company. See penultimate paragraph of the Department's telegram 95 of March 12, 2 p. m. to the Consul General at Shanghai.

In the event, however, that the Standard Oil Company elects itself to file notice of its claims directly with the authorities of the present administration, the Department would express neither objection nor approval. In this connection, if American claimants so desire, the Department authorizes the same procedure in regard to such claims as that suggested in the second paragraph of the Department's telegram 88 of March 18, 6 p. m. to the Legation.

CASTLE

793.94/5023 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 12, 1932—5 p.m.
[Received April 12—5 :55 a.m.]

My April 12, 9 a.m.[56] I have just seen Quo who tells me that he has telegraphed again urging Yen to obtain an interpretation to be used in connection with the agreement if a time limit cannot be obtained. He showed me a number of telegrams from Geneva indicating reactions there. Chinese apparently desire to take advantage of meeting of League Committee which was to have met on the 11th. For the moment interest lies in attitude of League and negotiations here are indefinitely postponed. Quo hopes to have instructions within a fortnight.

Lampson informs me that he has booked passage to return to Peiping via Nanking leaving here on Saturday April 16th. He has asked me whether I have any plans. I propose to remain in Shanghai until I am satisfied that there is definitely no further need for me to remain.

JOHNSON

[56] Not printed.

793.94 Commission/160 : Telegram

The Acting Secretary of State to the Minister in China (Johnson)

WASHINGTON, April 12, 1932—5 p.m.

104. Your 425, April 9, 9 p.m.[57] For Blakeslee.

1. Officers of the Department have been giving serious thought to finding some helpful suggestions toward a practical solution of the problem relating to Manchuria to which question you will presumably sooner or later have to give consideration. Assuming that any such solution must, as far as possible, take into consideration the interests and views of the Chinese and Japanese Governments and the principles agreed upon in the Covenant of the League of Nations, in the Nine Power Treaty and in the Kellogg Pact, there has been prepared by certain officers an outline of a plan which, although perhaps not entirely comprehensive, includes certain features which might have suggestion value.

2. The project contemplates as an initial step the conclusion of a preliminary agreement between China and Japan to enter into direct negotiations relating, first, to the reestablishment of a temporary Chinese administration in Manchuria; second, to the reestablishment of a permanent Chinese administration in Manchuria, together with questions of security and protection of foreign rights and interests; and third, to the negotiation of a new comprehensive treaty.

3. The Department is sending you by pouch in care of the Legation at Peiping a copy of this outline plan[58] for such use as you may care to make of it, in whole or in part, as upon your own initiative and responsibility. The plan should reach you about June 1st, but if in the interim you should find it urgently desirable to have it before that date the Department will consider cabling a summary.

CASTLE

793.94/5042 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 13, 1932—9 a.m.
[Received 11:40 a.m.]

The British Minister has just received a message from the local office of the Ministry of Foreign Affairs to the effect that Quo learns from Nanking that the Chinese Government has telegraphed to the Chinese delegate at Geneva to ask for an elucidation of the question of the time limit. Pending a reply from Geneva on this point, the

[57] Not printed.
[58] *Post*, p. 713.

Chinese Government desires the next meeting of the conference be postponed for a few days. JOHNSON

793.94/5041 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 13, 1932—4 p.m.
[Received April 13—11:15 a.m.]

80. Yen told me this morning that he had requested a meeting of the 19 which will be held on Saturday[59] in order to present the Chinese point of view on the Shanghai negotiations. He said that China could not accept the proposal of Sir Miles Lampson even in its modified form as it contained "conditions" for withdrawal of the Japanese forces and thus was contrary to the Assembly resolution. For example, withdrawal was not to take effect for 6 months and then only if order in Shanghai and the surrounding district justified such withdrawal.

WILSON

793.94/5040 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 13, 1932—6 p.m.
[Received April 13—6:20 a.m.]

At a meeting today British Minister and I, Italian Chargé d'Affaires and representative of French Minister, discussed necessity of retaining large forces at Shanghai. British Minister informed me that he was informing his commander in chief that he saw no objection from a political point of view to reducing British forces here by one battalion. British Minister stated that he was making this statement in reply to an inquiry from the admiral. I understood that British forces will probably be reduced by this number shortly.

I have informed Admiral Taylor of the above.

JOHNSON

793.94/5043 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 13, 1932—8 p.m.
[Received April 13—11:35 a.m.]

My April 12, 5 p.m. At the suggestion of British Minister for Foreign Affairs, Lampson asked us to meet today and we agreed to send

[59] April 16.

following message identically to our several Governments, that is, United States, Great Britain, France and Italy:

"Situation of conference is now as follows:

(1) Negotiations under resolution of March 4 have reached following impasse.

(2) Difficulty has arisen under annex 1 of draft agreement in that Japanese are demanding that Chinese define their positions south of Soochow Creek and east of Whangpoo River. Chinese are willing only to define positions north of Soochow Creek, i.e., in areas directly involved in recent hostilities.

(3) Representatives of participating friendly powers feel that Japanese are protected in this connection by article 1 which provides for cessation of hostilities around Shanghai including all and every form of hostilities, and they feel that Japanese should not press this point which should be capable of adjustment if main difficulty can be overcome.

(4) Main difficulty is that Chinese insist on a clearly defined time limit within which Japanese withdrawal into the International Settlement and the extra-Settlement roads of the Hongkew district should be completed in accordance with first sentence of article No. 3. Japanese have made it abundantly clear in the course of the negotiations that they are not prepared to fix any such time limit maintaining that the reduction of their troops to such numbers as appears absolutely necessary in Settlement, et cetera, must depend on restoration of normal conditions of security. Foreign representatives understand however that Japanese would be willing to make a declaration to the effect that 'As soon as local condition[s] in and around Shanghai return to normal—and they hope that conditions will have so returned within 6 months or sooner—the Japanese troops will be further withdrawn to the International Settlement and the extra-Settlement roads in the Hongkew district as before the incident of January 28, 1932.'

(5) Foreign representatives feel that they have done all they can to bring the two sides together and that if any agreement is to be reached China should either accept the above declaration or else sign the agreement as it stands relying upon definite undertaking in regard to withdrawal contained in the first sentence of article No. 3.

(6) The foreign representatives submit that the Assembly might help towards a speedy conclusion of the agreement as already drafted if the Assembly would record a pronouncement that they have noted the results so far of China negotiations carried on in accepting the resolution of March 4 and that they interpret the first sentence of article 3 as clearly meaning that the Japanese Government thereby undertake to complete at an early date the withdrawal of the Japanese troops."

JOHNSON

793.94/5374

Memorandum by the Chief of the Division of Far Eastern Affairs (Hornbeck) of a Conversation With the Chief of Staff, United States Army (MacArthur)

[WASHINGTON,] April 13, 1932.

I have talked with General MacArthur about this.[60]

General MacArthur says that the 31st Regiment is absolutely at the disposal of the Department of State. He says that if he may volunteer his own opinion it would be his advice that the regiment be kept at Shanghai until the situation is much more clear than at present. He thinks that there is danger of a lot more trouble there and that it would give a bad impression as well as be taking chances to remove them. He points out that it is much easier for the British to move a battalion or two up and down the coast between Shanghai and Hong Kong—and a matter to which they are quite accustomed—than for us to move our forces back and forth from Manila. He says that the British are confronted with something of an emergency in view of Japanese threats in relation to Canton; and that if he were the British he would move that battalion back to Hong Kong just now, but that the fact of their doing so is not in itself sufficient reason for us to remove our regiment. He suggests that, coming right on the heels of the vote the other day on the Philippine Bill,[61] it would give further suggestion that our policy in the Far East is one of "scuttling". He concluded by stating that the regiment was getting on all right and was not needed at Manila. I inquired whether they were comfortable at Shanghai, and General MacArthur replied that they were and we need not give ourselves any uneasiness on that score.

I said that we would probably be hearing from Admiral Taylor and that we would of course take no steps in the matter without consulting the War Department further. The General repeated that the 31st Regiment is entirely at our disposal. I said that we appreciated that attitude but that we consider the question one for constant consultation and cooperation between the three Departments most concerned. General MacArthur said that he appreciated that attitude. I said that when we heard from Admiral Taylor we would consult him further.

Commander Lammers called at my office and in the course of the conversation I asked whether the Navy Department had had anything new from Admiral Taylor on this subject. He said that they had not.

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[60] i.e., possible reduction of armed forces at Shanghai (see telegram of April 13, 6 p.m., from Minister Johnson at Shanghai, p. 689).

[61] H. R. 7233, as amended, passed by the House of Representatives, 307 to 47, April 4, 1932; *Congressional Record*, vol. 75, pt. 7, pp. 7401, 7411. The bill became law January 17, 1933 (47 Stat. 761).

793.94/5045a : Telegram

The Acting Secretary of State to the Ambassador in France (Edge)

WASHINGTON, April 13, 1932—4 p.m.

145. For Secretary Stimson's information.[61a]—Shanghai negotiations.

[Here follows summary of information contained in recent telegrams from Minister Johnson at Shanghai.]

It would seem that Johnson and Lampson have patiently and resourcefully pressed for an agreement, making many suggestions but without success.

3. In the opinion of the Far Eastern Division, the situation is this: (*a*) the Japanese, having engaged in military operations at Shanghai with certain objectives, refuse to agree to withdraw their troops unless and until they are satisfied that their objectives have been to a sufficient extent attained; (*b*) the Chinese, confronted with the presence of an invading military force which is there for the purpose of bringing pressure to bear upon them, decline to enter into an agreement which in effect would commit them to an assent to the presence of that force, unless, as a part of the agreement, they can obtain in return a pledge which would preclude the continuance for an indefinite period of the presence and pressure of the invading armed force. The two positions are scarcely reconcilable; to achieve an agreement one side or the other would have to yield; there is little if any room for compromise; the likelihood is that the situation will remain *in statu quo* indefinitely unless (*a*) one or the other of the disputants makes new military moves or (*b*) outside pressure contributes to its liquidation.

4. For Johnson's guidance, the Department on April 11 telegraphed as follows: "The Department appreciates the difficulties which confront you in the negotiations; approves the attitude which you have taken; hopes that it may still be found possible to persuade the Chinese and Japanese to reach an accord; and awaits your further reports on the matter".

CASTLE

793.94/5045 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 14, 1932—11 a.m.
[Received April 14—12:30 a.m.]

435. Following from American Consul General at Harbin:

"April 13, noon.

1. At 10:30 p.m., April 12, a Japanese military train, carrying a motorcar detachment and ammunition and consisting of locomotive,

[61a] Secretary Stimson was en route to the Disarmament Conference at Geneva.

one passenger and several converted freight cars, when passing over a bridge 10 miles [apparent omission] on its way to Harbin over the Eastern Line [of] the Chinese [Eastern] Railway, ran into explosives placed on the tracks, according to the version of Soviet railway officials, or derailed due to the previous removal of bolts from rails, according to the Japanese version. The locomotive and 4 cars toppled down the embankment, the passenger, 4 freight and 11 flat cars were destroyed, 1 officer and 10 privates perished in the flames, about 50 privates were severely injured and 11 automobiles destroyed. Railway officials state that this is the most serious catastrophe on the line in Japanese history. Identity of guilty still unknown.

2. Three sticks of dynamite with dry battery attached were discovered last night on same Eastern Line 2 miles from old Harbin."

"April 13, 3 p.m.

1. In an interview with the press yesterday General Tamon stated that Japanese troops would not take part in operations to clear the east line of the railway of undesirable elements but if the new Kirin troops prove unequal to the task the Japanese command would take action, that Japanese efforts to clear the district near the Siberian-Korean frontier were hampered by the unwillingness of the railway to place at the disposal of the Japanese military the necessary number of echelons for moving troops to the Eastern frontier, and that in order to eliminate banditry in Manchuria large numbers of troops and 2 or 3 years' time are required.

2. It is becoming increasingly apparent that the Japanese military will have more difficulty than they anticipated in clearing North Manchuria of Chinese irregular soldiers and bandits."

For the Minister:
PERKINS

793.94/5023 : Telegram

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

WASHINGTON, April 14, 1932—5 p.m.

141. For the Minister. Your April 12, 5 p.m. Department heartily approves your decision to remain at Shanghai as per last sentence your telegram under reference and last sentence Department's 122, March 29, 6 p.m.[62] In view of latest press despatches regarding Japanese diplomatic action at Shanghai and developments at Geneva, it is believed that your departure from Shanghai should not coincide with or too closely follow that of the British Minister.

Therefore, in case you find it necessary for prompt and effective carrying out of instruction contained in Department's 140, April 13,

[62] Not printed.

6 p.m.,[63] to go to Nanking, you should in advance give out a press statement that you are going to Nanking on the Baker case and that you will return to Shanghai within a few days.

CASTLE

793.94/5053a : Telegram

The Acting Secretary of State to the Consul at Geneva (Gilbert)

WASHINGTON, April 15, 1932—6 p.m.

60. For the Secretary. Department's 145, April 13, 4 p.m. and 146, April 13, 5 p.m.[64] to Paris for you. On April 14, the Japanese Ambassador handed to the Under Secretary an undated and unsigned paper bearing a single paragraph, the text of which is identical with that quoted in the fourth paragraph of Minister Johnson's telegram of April 13, 8 p.m. communicated to you in paragraph 1 of the Department's 146, April 13, 5 p.m. to Paris.

The Japanese Ambassador, in handing this paper to the Under Secretary, gave the impression but did not state that his Government hoped that pressure would be brought to bear on the Chinese to accept this formula in lieu of an agreed-upon date for withdrawal of Japanese troops. The Under Secretary made no comment.

Reference to previous telegrams discloses that Ministers Johnson and Lampson on April 9 suggested that paragraph as an alternative proposal on the question of the withdrawal of Japanese troops and that it was submitted by the Chinese and Japanese negotiators to their respective Governments. It was to have been discussed at a subsequent meeting of the negotiators on April 11 but this meeting was not held as the Chinese referred the matter to Yen at Geneva and further meetings were adjourned sine die.

It is the surmise of the Department that the Japanese may endeavor at Geneva to enlist support of their position on the basis of this formula; and that you may be solicited in that connection. It is believed that the following points should be considered: (*a*) this formula is very indefinite and would give the Chinese no assurance; (*b*) it provides only that at a time to be decided upon by them the Japanese troops will be drawn back within a certain line; (*c*) it carries no promise whatever regarding withdrawal of Japanese troops from Chinese soil; (*d*) the Chinese negotiators apparently do not dare sign an agreement which makes no provision for withdrawal of Japanese troops within a fixed time limit. To the Department it seems doubtful

[63] Vol. IV, p. 489.
[64] Telegram No. 146 not printed.

whether in these premises it would be advisable for the American Government to bring to bear any new pressure.

CASTLE

893.102 S/929

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

WASHINGTON, April 15, 1932.

SIR: The Department has received your despatch No. 8126, dated February 19, 1932, referred to in your telegram No. 156, March 4, 1 p.m., on the subject of "Greater Shanghai".

Officers of the Department have read with interest the "Outline" which you submit[65] and feel that there are embodied in it features which would be likely to be of practical value if and when the question of providing a new organic charter arises. It seems to the Department, however, that this plan, taken in its entirety, envisages the establishment at Shanghai of an administrative entity more complicated than need, for the present at least, be envisaged; also, that, in the light of the existing situation, the present would be an inopportune time to suggest or sponsor formally or officially any project or proposals in relation to this subject.

The Department appreciates the mature consideration that you have given and are giving to this subject and will at all times be glad to receive comments and suggestions which might, in your opinion, contribute toward solution of the problems outstanding at Shanghai.

Very truly yours, W. R. CASTLE, JR.

793.94 Commission/174 : Telegram

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

WASHINGTON, April 16, 1932—4 p.m.

143. For the Minister. The Navy Department sends us a copy of a telegram from Admiral Taylor stating that a request has been made by General McCoy that the U.S.S. *Asheville* be made available to McCoy and Wellington Koo and members of the latter's staff for transportation from Tientsin to Dairen.[66] Admiral Taylor recommends that this be not done. The Navy Department refers the question to us.

[65] Not printed.

[66] With respect to entry of Dr. Koo into Manchuria, see also despatch No. 1491, April 21, from the Minister in China, p. 710.

Department's views, communicated to Navy Department with understanding that we will communicate them to you for communication by you to Admiral Taylor, are as follows:

Lord Lytton's Commission is an instrument of the League of Nations. It is visiting China and Japan. It would seem that the Chinese and/or the Japanese Governments should be able to provide transportation and ensure safety of the Commission between Tientsin and whatever point the Commission desires to reach in Manchuria. If such is not the case, it would seem that other governments which are members of the League should assume those responsibilities. It is not perceived that a useful purpose would be served by having ships of several different nationalities carry the various members of the Commission simultaneously between identical points. The American Government and its agencies wish to do their part toward facilitating the work of the Commission as a whole, but this Government feels that the granting of General McCoy's present request, in reference to the American member and the Chinese assessor only, would be inadvisable and without sufficient warrant. Finally, it is believed that a request for such special facilities in connection with the work or movements of the Commission, if made, should be made either by the Secretariat of the League or by the Commission as a whole and formally.

Please communicate the above to Admiral Taylor and request that its whole substance be communicated to McCoy.

It is believed that you might also to advantage yourself communicate these views to McCoy.

CASTLE

893.20/327 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 17, 1932—11 a.m.
[Received April 17—4:58 a.m.]

With reference to last paragraph of your telegram 121, March 29, 5 p.m., I learn that the Chinese Government for various reasons does not consider it expedient to take the matter up through its Legation in Washington and that Soong is therefore continuing his conversations with Trade Commissioner Howard here regarding civilian aviation. Has the Department any objection?

JOHNSON

793.94/5052 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 18, 1932—noon.
[Received April 18—5:12 a.m.]

My April 13, 8 p.m., and April 18, 11 a.m.[67]

1. Lampson and I have just been informed that Quo is returning from Nanking tomorrow expecting to resume negotiations with the Japanese.

2. With reference to my telegram of April 13, 8 p.m., Lampson has information from his Secretary of State for Foreign Affairs to the effect that Committee of Nineteen at Geneva will adopt second alternative mentioned in paragraph 5 thereof and will probably pass a resolution following lines suggested in paragraph 6 thereof.

3. I propose to return to Shanghai on April 20th as Lampson and I consider that the time is probably ripe for bringing local negotiations to a conclusion.

JOHNSON

793.94/5060 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 18, 1932—midnight.
[Received April 18—11:40 p.m.]

82. I repeat for your information telegram dated April 18, 11 p.m., sent to Johnson, Shanghai, by the Secretary.

See my No. 81, April 18, 11 p.m.[68]

April 18, 11 p.m. For the Minister from the Secretary.

"I am informed that the Committee of Nineteen at a meeting Saturday considered adopting in a resolution which will contain an interpretation of article 3 of draft of armistice agreement under which the Committee of Nineteen declares that it understands this to mean that Japan must evacuate at the earliest possible moment. It also considered requesting the joint commission provided for in article 4 of the draft agreement to report from time to time the progress of withdrawal.

Committee of Nineteen this afternoon considered draft proposal to give effect to ideas outlined at former meeting. It has not yet reached final decision but it is seeking solution on lines that joint commission provided for in draft agreement should be empowered at the request of one of the parties to say whether the second and final stage of the withdrawal of the Japanese troops could reasonably be

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[67] Latter not printed; in it the Minister reported, "I am going tomorrow morning by plane to Nanking . . ." (393.1111 Baker, Charles/70).

[68] Not printed.

affected. In order that joint commission should not be prevented from making this pronouncement by the opposition of one of the parties it was proposed that if difficulty arose of [*on*] this account the joint commission should make a report to the Assembly Committee. This report could not be in the nature of a decision but any decision taken by the Assembly or its Committee would doubtless be influenced by the report.

The Committee of Nineteen is considering this procedure because it seems to be of the opinion that the declaration suggested by the Japanese and set out in paragraph 4 of your cable to the Department April 13, 8 p.m., did not give any assurance whatever of sufficiently prompt evacuation by the Japanese.

In this opinion, judging from cables which I have received from the Department, the Department seems to concur. In this situation I should like to know whether you see objection to the course proposed by the Committee of Nineteen.

Your colleagues are being requested by their respective Governments for their opinion and a joint reply is being suggested to them.

I wish you to advise me directly of your own individual opinion but you are authorized to join in an identic reply provided this does not involve a compromise of your own opinion."

WILSON

793.94/5229

The Consul General at Mukden (Myers) to the Acting Secretary of State

No. 462 MUKDEN, April 18, 1932.
[Received May 14.]

SIR: I have the honor to enclose herewith a brief résumé of political developments in South Manchuria between September 18, 1931 and March 31, 1932.[69] It is thought that a review of this kind might prove of interest to the Department and the Legation and its perusal might be helpful to General McCoy, the American member of the League Commission of Inquiry. The résumé is based on material on file at this Consulate General and was prepared by Vice Consul Monroe Hall.

A few observations may be of interest in this connection. In the first place, the rapidity with which the occupation of Mukden was effected and the extension of military occupation immediately to other cities in the railway zone and within a few days to Kirin city despite the absence of a menace from that quarter and the guarantees of the local officials that they would adequately protect Japanese nationals afford overwhelming evidence that the Japanese army was completely prepared for this action and that the questions at issue were not merely local or transitory ones. Attention may also be drawn to the frequent

[69] Not printed.

military manoeuvres which the Japanese army staged in the environs of Mukden during the weeks preceding the occupation and to the presence of considerable artillery in Mukden at that time which unconfirmed reports stated had been brought from Korea and discharged during the dead of night only a few days prior to the outbreak. These circumstances may be adduced as evidence in support of the conclusion, reached at that time by close observers of political conditions in Manchuria, that Japan had decided to effect a settlement of the Manchurian problems and that the much emphasized railway incident, the Nakamura case[70] and other recent incidents were exaggerated far beyond their proportions for the purpose of giving the Japanese military action an appearance of reasonableness and at the same time of cloaking its real purpose.

That the Chinese authorities had at least given the Japanese ample opportunity for resorting to drastic action for protecting their interests and treaty rights cannot be gainsaid. The Chinese obviously were blinded by the seeming success of their studied policy of procrastination and disregard of agreements and protests and in spite of ominous warnings persisted in these obstructive and aggravating tactics. The situation had reached such a pass according to a recent statement of a prominent Japanese official that Japan decided that it would have to move into Manchuria or withdraw entirely.

It may be of interest to mention a few of the important events of the period covered by the résumé which definitely mark the disclosure or unmasking of Japanese plans for accomplishing the domination of Manchuria. After the initial military occupation, the events that stand out are the airplane bombardment of Chin Hsien (Chinchow—old name) on October 8, the attack on the Heilungkiang forces on the Nonni river early in November and the subsequent occupation of Tsitsihar—these steps were not taken until Japanese propaganda had disclosed that Soviet Russia would not use military force for the protection of its sphere of influence—, the despatch of Japanese troops against Chin Hsien late in November which was so unexpectedly stopped and disavowed by the Japanese government, the long delayed expulsion of the Chinese troops from the Chin Hsien area and the elimination of Chinese rule in South Manchuria at the beginning of the year (Chin Hsien occupied on January 2, 1932) and the development of the movement for the creation of a new state which culminated on March 9, 1932, with the inauguration of P'u Yi (ex-Emperor Hsuan T'ung) as the Chief Executive of Manchoukuo at Changchun, the

[70] Capt. Shintaro Nakamura was shot by Chinese troops in Manchuria June 27, 1931. See League of Nations, *Appeal by the Chinese Government: Report of the Commission of Enquiry* (Geneva 1932), pp. 63 ff.

capital. It is worth while noting that Japanese interest in and connection with the independence movement which began to attract attention late in September has existed from the outset.

In the light of the developments outlined in the enclosure, the Japanese government's protestations that they have been in no way connected or concerned with the creation of the new state cannot be taken literally but may possibly be explained by the oriental complex for keeping the records clean for the sake of appearances. As a matter of fact, all reports of persons who have had any relations with the new government unanimously state that the government is Japanese, that is, that its Japanese members completely control and actuate every department and therefore it is obviously not Manchurian in the sense that the word denotes the native inhabitants of this land—a broader interpretation of the word to include Japanese and Koreans as well may explain the Japanese insistence upon its use.

Yours respectfully, M. S. MYERS

793.94/5061 : Telegram

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

SHANGHAI, April 19, 1932—10 a.m.
[Received April 19—7:35 a.m.]

214. The resumption of normal business is proceeding very slowly in Chapei and other territory formerly Chinese controlled but now either actually or constructively under Japanese military occupation. Aside from actual destruction American business in such territory with the business of other nationals has suffered in various ways as illustrated by the following instances, each instance being typical of other similar cases.

(1) Robert Dollar Company has several hundred thousand taels worth of lumber on consignment at Chinese lumber yards in Chapei. The Japanese military are putting all manner of difficulties in the way of the sale of this lumber by the yards and its removal for places of ordinary commercial consumption. Both oral and written representations by this office to the Japanese Consulate General on behalf of the Dollar Company's interest in lumber have so far failed. Other American concerns are experiencing similar difficulties in moving stocks of goods and machinery from Chapei. A Chinese unofficial organization was set up there about April 1st with the consent of Japanese military. This organization levied a contribution on all goods moved. It was nominally closed by Japanese on April 11th but it is expected that similar organizations will take its place.

(2) Andersen, Meyer [& Co.] have received orders from Wingon

Textile Company, a Chinese firm, for repairs to plant and machinery in their cotton mill at Woosung which was damaged by shell fire to extent of about 3 million taels. Andersen, Meyer have also been appointed managers of the mill but I am not inclined to give official support to their requests made purely in this capacity. However, their orders for machinery are undoubtedly bona fide and I am told will mean the placing of orders for considerable amounts of American machinery. Japanese troops formerly billeted at Japanese cotton mill nearby moved to Wingon Cotton Mill March 8th and remain in occupation. Andersen, Meyer state it will be impossible to commence repairs until they evacuate and Andersen, Meyer as managers ask me to demand this evacuation. I have written informally to Japanese Consul General laying the case before him and expressing hope that the American firm may be permitted to repair the plant and machinery without hindrance. This is as far as I believe I can go at present.

(3) No Chinese police are permitted by Japanese to function in Chapei or surrounding Chinese territory and Japanese military authorities appear to be making no systematic effort to police that area or in fact any area behind their front lines. The result is that Chinese bad characters have almost unchecked freedom of action in Chapei. There are several American-owned factories located in Chinese territory near the Settlement boundary and in at least one case their employees have been intimidated and held up. This factory owner has appealed to me to try to obtain International Settlement police protection extended to his plant and surrounding roads. I have advised him to hire his own watchmen but this will not solve the problem of the hold-up of employees outside his plant. He did not wish to ask for Japanese military protection except as a last resort fearing a strike by his Chinese employees if he should do so. In my opinion since Japanese are in actual control of this area this Consulate General must look to them for police protection for American property while at the same time making representations to the Chinese municipal authorities although the latter have at present no actual lands.

2. With reference to the Department's telegram 61, February 29, 5 p.m., I request that in making representations to Japanese authorities both regarding American losses and the protection of American property a clause regarding claims similar to that suggested in my telegram 100, February 23, 3 p.m., be inserted.

3. I desire that this Consulate General should extend all legitimate assistance to American business and in connection therewith request instructions regarding what degree of recognition should properly be given to Japan's *de facto* authority in certain sections here. Despatch is going forward[71] giving more details regarding cases.

Repeated to the Legation, copy to Minister.

CUNNINGHAM

[71] Not printed.

893.51 Salt Funds/105 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 19, 1932—noon.
[Received April 19—3 a.m.]

445. The Minister's April 4, 10 a.m. Following from American Consul General at Mukden:

"April 18, 4 p.m. Reliably informed that the offices of the district inspector after closing of Salt Administration at Newchang were definitely closed on April 15th by the Japanese adviser of the Salt Transportation Office, the staff having been ejected and the offices sealed."

For the Minister:
PERKINS

893.20/327 : Telegram

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

WASHINGTON, April 19, 1932—6 p.m.

145. For the Minister. Your April 17, 11 a.m. The Department has no objection to Trade Commissioner discussing "civilian aviation" with Soong.

However, in relation to plans of the Chinese Government in connection with "military air training", it is the Department's opinion, known to and concurred in by the War Department, that, in view of the present situation, it would be inadvisable for this Government or any of its officers to be associated with military training.

CASTLE

793.94/5062 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 19, 1932—7 p.m.
[Received April 19—3:33 p.m.]

83. Following telegram has been sent to Shanghai:

April 19, 7 p.m. For Engert from the Secretary. Your April 19, 3 p.m.[72] Please inform me at once whether Mr. Johnson agreed on behalf of the American Government to the proposed identic reply contained in your cable. I desired his personal opinion on the situation presented and if he has not been consulted kindly inform me at once.

[72] Text quoted in telegram No. 88, April 23, 2 p.m., from the Minister in Switzerland, p. 721.

Kindly also inform him that I desire his opinion as promptly as possible. [Stimson.]

WILSON

793.94/5064 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 19, 1932—9 p.m.
[Received 9:25 p.m.]

84. I quote herewith paragraphs 11 and 14 of the draft resolution referred to in my number 85, April 19, 10 p.m. The full resolution when adopted will be telegraphed.

"(11) Is of opinion that the powers as defined in annex 4 of the draft agreement, of the commission which is to watch the carrying out of articles 1, 2 and 3 of that agreement, include the competence to declare at the request of one of the parties that the moment has come when the complete withdrawal of the Japanese troops can reasonably be effected.

(14) Requests the Governments of the powers having special interests in the Shanghai Settlements to transmit to the League of Nations the information which will be in the possession of the mixed commission in virtue of its functions and will be furnished to those Governments by their respective representatives on the commission."

WILSON

793.94/5065 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 19, 1932—10 p.m.
[Received April 19—8:07 p.m.]

85. Concerning the private meeting of the Committee of Nineteen this afternoon, Sweetser states that the draft resolution was unanimously adopted (pertinent portions cabled in my number 84, April 19, 9 p.m.) The text has been handed to the Chinese and Japanese representatives to submit to the respective Governments for agreement. A public session will be held as soon as replies are received. Beneš for the smaller powers stated that new text met their desires.

Drummond summoned me after meeting and informed me in strict confidence that Nagaoka had informed both him and Hymans separately today that his Government, he thought, would be prepared to accept an interpretation of the duties of the Mixed Commission as empowering them to declare at the request of one of the parties when

the moment had come that complete withdrawal [of] the Japanese troops could reasonably be effected. If Nagaoka is speaking with the authority of his Government this is a very hopeful sign.

WILSON

793.94/5068 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

NANKING, April 20, 1932—noon.
[Received April 20—5 a.m.]

The following telegram has been sent to American Consul at Geneva:

"April 20, 11 a.m. For the Secretary. Your April 18, 11 p.m.[74]. I concur in colleagues' views as set forth in Shanghai's April 19, 3 p.m., to Geneva."[75]

JOHNSON

761.94/499 : Telegram

The Minister in Latvia (Skinner) to the Acting Secretary of State

RIGA, April 20, 1932—4 p.m.
[Received April 20—2:50 p.m.]

39. Violent anti-Japanese campaign in *Izvestia* April 15th and 18th, *Pravda* 16th, *Trud* 17th, claiming that Japanese military circles are more and more in power, they want war, are inflaming public opinion, are responsible for anti-Soviet activities of White Guards, are using Manchuria as base of operations against Russia.

Tass communiqué in *Izvestia* April 18th that Soviets have requested change of Chinese Consul in Blagoveshchensk on account of abuse of code in sending messages purporting to be from General Ma.

SKINNER

793.94/5077 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 21, 1932—2 p.m.
[Received April 21—5:10 a.m.]

1. British Minister tells me he [learns?] confidentially from Geneva that the Committee was induced to adopt paragraph 11 of the resolu-

[74] See telegram No. 82, April 18, midnight, from the Minister in Switzerland, p. 697.

[75] See telegram No. 88, April 23, 2 p.m., from the Minister in Switzerland, p. 721.

tion by the fact that the Japanese delegate had informed President Hymans in confidence that the Japanese Government would be willing to interpret annex 4 as giving the Joint Commission power to declare by majority vote when it considered time for withdrawal of Japanese forces had arrived.

2. Neither Sir Miles nor I have been able to gather from recent conversations with the Japanese Minister that his Government had expressed itself in that sense although admitted that he was not as yet fully informed of all that had passed between Tokyo and Geneva.

3. Sir Miles requests me to ascertain whether, in the event that the Japanese Government should accept this interpretation of annex 4, the American Government felt that the Joint Commission should be asked to assume the responsibility of stating when the time for Japanese withdrawal had come.

4. Minister Johnson returns tomorrow.

Repeated to Geneva.

For the Minister:
ENGERT

793.94/5080 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 21, 1932—4 p.m.
[Received April 21—7:17 a.m.]

I have been shown confidential memoranda dated April 17 and 20 prepared by Millard, adviser to the Chinese Government, which are summarized below as I am told that they are influencing the Chinese to some extent in the present negotiations.

1. There is no advantage for China in hastily ending the present situation in the Shanghai area for so long as Japan occupies territory here without China's consent, she is clearly the aggressor.

2. As soon as any kind of agreement has been signed Japan's position becomes to a certain extent legalized and changes from armed invasion to occupation with a measure of Chinese consent.

3. It is a matter of indifference to China how large a force Japan keeps in the Shanghai area or for how long unless China can obtain immediate complete withdrawal. Presence of Japanese troops serves to focus attention of the powers on the situation and it is to China's interest that attention of world opinion should be held.

4. The more Japanese troops are immobilized in Shanghai the fewer will be available in Manchuria and the greater the cost to Japan. Their continued presence will also seriously affect Disarmament Conference and the military policy of the United States and Russia.

5. If China accepts proposed neutral Joint Commission it should issue declaration that it does so solely in the interest of peace; that it does not admit that Japan's occupation is anything but armed invasion without justification in fact or in international law; that it does not delegate to any international body its sovereign functions in this area; and that if in its opinion Japanese military occupation is unduly prolonged it will declare arrangement terminated and resume liberty to take unilateral action.

For the Minister:
ENGERT

793.94/5082 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 21, 1932—4 p.m.
[Received April 21—1:20 p.m.]

85 [*86?*]. For the Acting Secretary from the Secretary. Reference Shanghai's April 21, 2 p.m. to you.[76] I feel very strongly that if the resolution is adopted by the Committee of Nineteen there should be no reluctance expressed on the part of our Minister and the other Ministers to accept the responsibility which it involves. First it seems to be the only effective way of solving the deadlock in the evacuation. I have never been satisfied with the previous recommendations of the Ministers at Shanghai which seem to me weak. This paragraph of the resolution does not permit the Mixed Commission to set a date for completing the evacuation in advance but merely to state when in their opinion a time has actually arrived in which the Japanese troops can be safely withdrawn. This is a mere finding of fact peculiarly of a nature appropriate for the jurisdiction of such a commission and I think they would be unduly timid to refuse to accede such a responsibility.

If you agree please notify Johnson accordingly. [Stimson.]
WILSON

793.94/5082 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Wilson), at Geneva

WASHINGTON, April 21, 1932—6 p.m.

52. For the Secretary of State. Shanghai's telegram April 21, 2 p. m., to Department and repeated to Geneva, and your 85 [*86?*], April 21, 4 p.m.

[76] From the Minister in China, p. 704.

1. Japanese Ambassador called on Under Secretary this morning[77] and stated that Japan would not agree to paragraph 11, that she could not permit herself to be dictated to on the insistence of small powers. He said that Japan was of course willing to give consideration to the views of large powers. He said that the views of the Mixed Commission might not be unanimous and that, with provision for a majority decision, the less important powers might outvote the more important.

2. The Department feels that there would be no objection to the Mixed Commission assuming responsibility in regard to the time for the withdrawal of the Japanese troops if this responsibility is restricted to the question of withdrawal from the areas now occupied by Japanese in Chinese territory beyond the International Settlement and the extra-Settlement road areas. However, if this responsibility relates to the question of "complete" withdrawal of Japanese troops from Chinese soil at Shanghai, including the Settlement areas, that question would seem to be one in relation to which none of the powers could reasonably assume responsibility for making to another suggestions for action by the latter only. This, if it be so intended, would seem to be a new question. Would it not, therefore, seem wise that the scope of the responsibility which it is proposed should be assumed by the Mixed Commission be more exactly defined at Geneva before the question of a mandate for a Mixed Commission is put to the governments which would be represented on that Commission?

Perhaps this point is covered in paragraphs of the proposed resolution regarding which the Department has not yet been informed. We have only paragraphs 11 and 14.

3. In view of the above, Department is deferring communication to Johnson in relation to your 85 [*86?*], April 21, 4 p.m., pending further word from you.

CASTLE

793.94/5085½

Memorandum by the Minister in Switzerland (Wilson)[78]

GENEVA, April 21, 1932.

Mr. Matsudaira stated that he hoped as soon as convenient to have a conversation about general matters with the Secretary, but that in

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[77] See memorandum by the Under Secretary of State, April 21, 1932, *Foreign Relations*, Japan, 1931–1941, vol. I, p. 215.

[78] Apparently handed to the Secretary of State in Geneva.

the meantime there were some urgent details which he would like to discuss with me and have me bring to the attention of the Secretary.

He assumed that I was familiar with the Draft Resolution of the Committee of Nineteen. I assured him I was. He said that he had heard there was some misunderstanding as to Mr. Nagaoka having expressed the opinion that the Mixed Commission might be charged with the duty of declaring when conditions were such that the Japanese retreat might reasonably be expected. He asked me if I had heard this report. I told him that I had heard it but through third parties, as Mr. Nagaoka had not spoken to me. Mr. Matsudaira explained that what Mr. Nagaoka intended to suggest was that the Joint Commission could act on a majority vote, and not to charge it with the duty of making a declaration as to when retreat might reasonably be expected.

He continued by stating that the Japanese Government could not accept Article 11, or certainly the first paragraph thereof, for two reasons,—

(*a*) because the negotiators on the spot, including the four friendly Powers, who were most familiar with the whole situation, had not reached the conclusion that any such power in the hands of the Commission was necessary or advisable; there was no reason to feel that the Committee of 19 were better able to interpret necessities than the gentlemen in Shanghai;

(*b*) because constitutionally no Japanese Government could admit the right of anybody but the Emperor to give orders for the movement of troops; neither the civilian Government nor the Minister of War himself can issue such orders.

I replied that while there might be some basis for the contention under (*a*), I could see none whatever for the point he makes under (*b*). Nobody was suggesting that an outside force give orders to the Japanese troops; what was suggested was that the Commission merely declare that they themselves have reached the conclusion that the time has come when a retreat might reasonably be expected. I could see no grounds on which anybody could claim a legal infringement of the power of the Emperor by such a proposal.

Mr. Matsudaira stated that the organization of the Committee of Nineteen made negotiation very difficult, as certain small Powers which had no interest on the spot were active in forcing conclusions difficult of acceptance for the Japanese Government. I replied that these small Powers were undoubtedly more concerned about the application of the Covenant of the League and the precedent that might thereby be set, than they were with the actual state of affairs in the Far East, but that he must be under no illusion in regard to their point of view;

they were vigorously determined on the integral carrying out of the Pact of the League, and just because they had nothing to risk they were going to be the vigorous force with which he had to contend in this matter. I said that my own opinion was that a request by the Japanese Government for the dropping purely and simply of the first paragraph of Article 11 would put the Japanese in a very embarrassing position, as I thought their request would not be acceded to. I then added that I had heard there was some discussion as to the possibility of the Japanese making a spontaneous and unilateral declaration to the effect that they wished for a declaration from the Joint Commission, or considered that the Joint Commission might declare when in their opinion the state of affairs justified withdrawal, and that the Japanese High Command would be guided by this advice. Mr. Matsudaira felt that this would be very difficult, but added that they were working on this thought. I again urged on him the advisability of not taking a purely negative attitude, but of searching every avenue to find a means of making a positive suggestion to take the place of the first paragraph of Article 11.

Mr. Matsudaira then adverted to the fact that certain newspaper men had asked him whether Mr. Stimson was in touch with Mr. Litvinoff in regard to the Far Eastern situation. I told him that this idea doubtless arose from a report published by the *Zirchar Zeitung* on the evening of the 22nd, in which the United Press correspondent reports that the Foreign Office spokesman in Tokyo had suggested that Mr. Stimson was getting into touch with Mr. Litvinoff in Geneva. I told him that Mr. Stimson had not got into touch with Mr. Litvinoff, and gave him a note whereby he could find the article in question.

Mr. Matsudaira stated that he had heard that Mr. Nelson Johnson had reported to the Secretary of State that he (Mr. Johnson) thought that the Japanese demands relative to the entry of Chinese forces in the area south and east of Shanghai, were unjustified. Mr. Matsudaira pulled out a map and first talked of the strategic danger to Japanese forces of the entry of Chinese troops in this area. I said that I was not a soldier, but it hardly looked to me as if these fears were justified, since a direct attack on the Japanese forces would involve crossing the International Settlement, which would instantly involve the four friendly Powers; the only other method of attack would be across the river, to the west of Shanghai, to attack the Japanese from the rear, and such a movement surely the Japanese Navy, with its command of the water, could prevent. Mr. Matsudaira then approached the problem from another point of view, showing me on his map the various go-downs and factories of Japanese nationality in this southern area. I asked him who had been policing this territory during the

disturbance. He replied that he did not know. I said I didn't know either, but that I ventured to suggest that it had been policed by the Chinese. If this were the case, and order had been maintained during the stress of heavy fighting, surely it was unduly anxious to feel that special provision for the maintenance of order had to be made in this area when fighting was no longer going on.

Mr. Matsudaira again urged me at the end of the meeting to arrange as soon as the Secretary could conveniently do so, for an interview in which he could discuss the broader aspects of the case.

793.94 Commission/222

The Minister in China (Johnson) to the Acting Secretary of State

No. 1491 PEIPING, April 21, 1932.
[Received May 21.]

SIR: In continuation of the Legation's despatch No. 1482 of April 14, 1932,[79] regarding the visit of the League of Nations Inquiry Commission to Peiping, I have the honor to report that, as stated in my telegram No. 447 of April 19, 4 p.m.,[79] the Commission departed from Peiping on the evening of April 19th for Chinwangtao and Manchuria. The departure was delayed for several days owing to the continued objection (presumably at Japanese instigation) of the authorities of the new state of Manchukuo to the entrance into Manchuria of Dr. Wellington Koo, Chinese Assessor to the Commission. The impasse was finally solved by the adoption of a compromise arrangement whereby some of the members of the Commission, including Dr. Koo, are to enter Manchuria via Dairen and the others are to proceed by rail to Mukden.

During the last few days of their sojourn in Peiping the Commission took testimony from various Mongolian and Manchurian princes; Mr. Yano, Counselor of the Japanese Legation, who explained the closing of the *Chen Pao* and *The Leader* as well as the bombing affair at the residence of the Japanese naval attaché; Mr. Kuwashima, Japanese Consul General at Tientsin, and officers of the Japanese garrison at Tientsin, who gave testimony regarding the Tientsin incident; Mr. Kwan Kwang-yu, and other Manchu refugees from the Northeast; members of the faculty of the Northeastern University; General Chang Tso-hsiang, former Chairman of the Province of Kirin; and General Wan Fu-lin, former Chairman of the Province of Heilungkiang.

On April 17th the Commission visited the Great Wall and the Ming Tombs as the guests of Marshal Chang Hsueh-liang.

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[79] Not printed.

The Legation was advised by Professor Blakeslee that he had been requested to make a particular study of the Tientsin incidents and of the mysterious departure of Pu Yi, the Boy Emperor, from Tientsin for Dairen. To assist him in this investigation the files of the Legation pertaining to these two points were placed at his disposal, and an office was assigned to him where he might study the files and do any other work that he desired.

On the occasion of its visit to Peiping the Commission did not call upon the Legation for any further information, but it is probable that the Commission will return to this city during the latter part of May or early in June at which time information on the subjects listed on the attached memorandum[80] (handed to me by General McCoy) may be solicited.

The Commission apparently made a very favorable impression during their stay in Peiping. There has been no adverse comment, in so far as I am aware, either about the individual members or the Commission as a whole. The only editorial comment which has appeared in the press has been with reference to the opposition to the entry of Wellington Koo into Manchukuo. Copies of such editorials as have appeared in the Peiping and Tientsin press are enclosed herewith[81] for the Department's information.

Respectfully yours,

For the Minister:
MAHLON F. PERKINS
Counselor of Legation

893.01 Manchuria/147 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 22, 1932—noon.
[Received April 22—2:40 a.m.]

458. Following from American Consul General at Harbin:

"April 21, 1 p.m.

1. An American who has just returned from an extended trip along the border near Pogranichnaya has stated that General Wang Te-lin's troops numbering 5,000 well-equipped and behaved soldiers are advancing along the eastern line of the Chinese Eastern Railway, that conditions in the interior some distance away from the east line are horrible, and that all classes of Chinese there blame the Japanese indirectly for the unprecedented outrages to which they have been subjected.

2. His report on the conditions is confirmed by reports received by

[80] Not printed.
[81] Not reprinted.

Consuls, nationals of whom have suffered terribly physically and materially.

3. Vice Consul Takigawa stated at a consular body meeting yesterday that Japanese military had not yet decided about sending their troops east but that the newly arrived General Hirose was desirous of protecting not only Japanese but other foreign lives and property on eastern line and that he, Takigawa, was arranging program for League Commission's visit to Harbin.

. . . . . .

For the Minister:
PERKINS

793.94/5086 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 22, 1932—1 p.m.
[Received April 22—9:10 a.m.]

87. From the Secretary. Your 52, April 21, 6 p.m. The preoccupation which you express under number 2 is I believe covered by article 10 of draft resolution, text of which follows:

"Notes with satisfaction that the said Commission will in accordance with its decisions watch in such manner as it deems best the carrying out of articles 1, 2 and 3 of which the last named provides for the complete withdrawal of Japanese forces as before the incident of January 28."

Committee of Nineteen is awaiting definitive word from the Japanese Government and plans to call a session only upon receipt of such answer.[82] [Stimson.]

WILSON

793.94 Commission/180 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 22, 1932—5 p.m.
[Received April 22—7:48 a.m.]

459. Following is brief summary of comment by General McCoy in the course of informal conversation.

1. Commission's visit to the Yangtze Valley and North China, giving opportunity for general observation as well as the examination of

[82] The Department replied in telegram No. 55, April 22, 6 p.m.: "The Department is instructing Minister Johnson, as suggested in your 85 [*86?*], April 21, 4 p.m., repeating to him the first paragraph of that telegram and text of article 10 as communicated in your 87."

important witnesses, has proved extremely valuable as a background for further investigations.

2. From various sources it appears that Chinese officials were well informed in advance as to probable Japanese action in Manchuria. Chinese Minister in Tokyo warned Foreign Office which in turn apprised Marshal Chang at that time in Peiping. To minimize possibility of warfare, Chang ordered that no resistance be made to Japanese movements.

3. So-called secret protocol to Treaty of 1905 regarding competing railways in Manchuria was examined both in Tokyo and Nanking. Japanese and Chinese texts are substantially identical, but the documents appear to be simply minutes of the meetings of the Treaty Commissioners.

For the Minister:
PERKINS

793.94 Commission/160

The Acting Secretary of State to Dr. George H. Blakeslee [83]

WASHINGTON, April 22, 1932.

SIR: Referring to the Department's telegram No. 104, April 12, 5 p.m. to the American Legation, Peiping, the Department encloses herewith an outline of the plan referred to in that telegram which you may use in whole or in part, as upon your own initiative and responsibility, whenever you feel that such action on your part will lend practical assistance toward the working out of a satisfactory solution of the Sino-Japanese controversy.[84]

Very truly yours, W. R. CASTLE, JR.

[Enclosure]

Outline of a Plan for a Practical Solution of the Problem Relating to Manchuria

A general basic agreement to be concluded between China and Japan to enter into direct negotiations relating, first, to the reestablishment of a temporary Chinese administration in Manchuria; second, to the reestablishment of a permanent Chinese administration in Manchuria,

[83] Transmitted in a sealed envelope as enclosure to the Department's instruction No. 740, April 22, to the Minister in China, for delivery to Dr. Blakeslee.

[84] Dr. Blakeslee replied in a letter dated Peiping, June 23: "I wish to express particular appreciation of the kindness of the Department in preparing and sending this outline. I have used it in exactly the manner requested." (793.94 Commission/300)

including questions of security and protection of foreign rights and interests; and third, to the negotiation of a new comprehensive treaty relating to Manchuria.

Once the general basic agreement referred to above has been concluded, subsequent negotiations would be divided into three stages, as follows:

First, a preliminary agreement relating to the reestablishment of a temporary Chinese civil administration in Manchuria providing:

(1) That the present independent central administration in Manchuria be dissolved, a general amnesty being granted to all who participated therein;

(2) That there be appointed by the Central Government of China to take over the administration of Manchuria a Commission headed by a well-known Chinese, acceptable to both the Chinese and Japanese Governments, with the title of Governor General;

(3) That the Governor General and the Commission immediately, in place of the present independent central administration referred to in (1) above, take charge of the Chinese administration in Manchuria and assume control of and supervision over the provincial and municipal authorities now existing in that area pending the coming into force of the arrangements provided for in the second agreement.

Second, within one month after the signing of the preliminary agreement referred to above, a conference to be held between the representatives of China and Japan, in the presence of or without the presence of neutral observers, at Manila (Hong Kong or Singapore), relating to the reestablishment of a permanent Chinese administration in Manchuria, including questions of security and protection of foreign rights and interests providing:

(1) That there be set up in Manchuria a civil administration headed by a Governor General, who shall be a well-known Chinese preferably of civil rather than of military rank;

(2) That there be associated with the Governor General an adequate and appropriate staff of qualified Chinese assistants and foreign advisers;

(3) That the civil administration referred to above be authorized to proceed as follows:

(*a*) To organize provincial and municipal governments composed of Chinese residents of Manchuria;

(*b*) To organize provincial and municipal police and constabulary forces to maintain law and order, which forces shall be trained and supervised by foreign officers selected from among the advisers referred to in (2) above;

(*c*) To supervise the collection and disbursement of the revenues of Manchuria for purposes indigenous to that area, remitting to the Central Government of China such portion thereof as is normally remitted or as otherwise may be agreed upon for the

retirement of Chinese Government obligations charged against these revenues and for Manchuria's contribution to the expenses of the Central Government, provided that there shall be no interference with the administration of the regular Chinese customs, salt and postal services;

(*d*) To supervise Chinese financial and other economic institutions in Manchuria for the purposes of rehabilitating and stabilizing the financial situation in that area;

(*e*) To organize a central Bureau of Communications which shall supervise all principal means of Chinese communication in Manchuria and shall be authorized to seek to devise and work out ways and means for coordination of all existing and future railway lines in Manchuria;

(4) That, when competent constabulary and police forces of the new administration have been organized, the Japanese Government withdraw into the South Manchuria Railway zone such Japanese troops as may at that time still be stationed outside of that zone, the evacuation of such troops to be supervised, if necessary, by foreign officers selected from among neutral members of the advisory corps referred to in (2) above.

Third, immediately after the conclusion of the second agreement referred to above, the same conference to enter into the negotiation of a new comprehensive treaty relating to Manchuria.

Note: In regard to the negotiation of this treaty, it is practically certain that, at the time when the general basic agreement referred to above is entered into, certain questions will arise such as (*a*) the question of conducting the negotiations in the presence of neutral observers; (*b*) the principles under which the negotiations are to be conducted; and (*c*) the old treaties and agreements which are to be discussed during the negotiations and replaced by the new treaty. With regard to (*a*) it is believed desirable that the negotiations be conducted in the presence of neutral observers, but if either side should raise strong objection to such observers the difficulty might be obviated by having both sides stipulate that no secret agreements shall be consummated. With regard to (*b*) it might be possible to solve the question of the principles under which the negotiations are to be conducted by stipulating that the guiding principles shall be those agreed upon in the Covenant of the League, in the Nine Power Treaty and in the Kellogg Pact. If, however, objection should be raised by either side to the specific mentioning of these pacts, it might be sufficient to have a stipulation worded along the lines of the language used in Article I of the Nine Power Treaty. With regard to (*c*), difficulties and disputes in regard to the treaties and agreements to be replaced might best be obviated by persuading both sides to proceed with their efforts to negotiate a new comprehensive treaty without listing at the outset old treaties and agreements, in the hope that questions in regard

thereto will resolve themselves as the negotiations proceed. It is felt that endeavor should be made to concentrate on matters susceptible of agreement and to avoid argument about the technical validity of existing treaties and agreements with regard to which concurrence of views is out of the question.

793.94/5091½

Memorandum of a Conversation[85]

[GENEVA,] April 22, 1932.

M. Hymans stated that he was expecting the visit this afternoon of Nagaoka, and that according to what Drummond had told him Nagaoka was going to reply to the President of the Assembly in reference to the Draft Resolution of the Committee of Nineteen in somewhat the following sense:

That Japan could not accept the first paragraph of Article Eleven of the Draft Resolution, but that in a desire to be conciliatory they suggest that the Joint Commission contemplated in Article Four of the Armistice Draft should declare when in its judgment the withdrawal of the Japanese troops might reasonably be expected. This declaration, however, should be made to the Japanese authorities. In the event that the Japanese authorities were in accord, well and good; if not, the matter would be referred to a military technical committee which would examine the question. In the event that the latter committee informed the Japanese authorities in the sense of the Joint Commission and Japan still was not in accord, the matter would be referred back to the Assembly for action.

Mr. Stimson stated that he felt this was putting the cart before the horse; that in western countries at least the principle had long been prevalent that the civilian authorities had the last and decisive word in any case, and that as far as he (Mr. Stimson) was concerned, he could not accept a project which had a military committee revising findings in which the American Minister at Shanghai had concurred. In his thought, the matter should be arranged in the inverse order, namely, a military committee should examine and report to the interested civilian authorities on the Joint Commission, and the Joint Commission could then transmit its decision to the Japanese authorities; and if the Japanese were not in accord, the matter could be transmitted to the Assembly.

M. Hymans seemed to concur in Mr. Stimson's thought, and stated that he would call in Mr. Wilson to tell him of his conversation with Nagaoka as soon as he had seen the latter this afternoon.

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[85] Between Mr. Stimson and M. Hymans in Geneva.

M. Hymans then asked the Secretary whether in these Shanghai negotiations he had any advice or thoughts which he would like to give him. The Secretary analyzed the situation, pointing out that what was needed was continuous and everlasting patience, especially when it was a question of negotiation with orientals, but in the exercise of this patience firmness was also essential, since unquestionably the Japanese would have their hands out from time to time for certain gifts which would sweeten the process of withdrawal. Becoming more specific, the Secretary called attention to the incident last winter of the "demilitarized zones" around the five Chinese cities,[86] and stated that he thought the Committee of Nineteen would have to pay particular attention to the Japanese request for an undertaking by the Chinese not to enter those regions adjacent to Shanghai south of the Soochow creek. The Secretary fears that this demand may presage a possible plan for the demilitarization of a zone around Shanghai, and he added that the neutral Ministers in Shanghai felt that Japan's demands in this connection were unjustified. The Secretary mentioned that Mr. Wilson had seen Matsudaira in the Secretary's absence yesterday, and sketched some of that conversation, relating to the areas south of the Soochow creek. The Secretary spoke of the attitude of the businessmen of Shanghai.

The Secretary repeated that infinite patience was necessary, as well as a firmness adopted in a series of unanimous decisions by the States of the world. The publication of the letter to Senator Borah (inspired in the first instance by the question of the "demilitarized zones") had caused Japan to back away, just as it would back away before any show of united determination, but the minute that determination seemed to weaken or relax, they would advance bit by bit.

The Secretary discussed the present conditions in Japan, and pointed out the disappearance from the scene of activities of such men as Wakatsuki, Hamaguchi, Baron Dan, Marquis [*Count*] Makino, Baron Shidehara, Mr. Inouye, etc. All of these gentlemen of broad international outlook, believing in the sanctity of treaties and full of the endeavor to cooperate with other nations, had either been assassinated by the militarists or were confined to their houses, afraid to go into the streets without armed guards. The Jekyl and Hyde story was apposite—there was a Jekyl Japan and a Hyde Japan, and at present the Hyde Japan was in the ascendency. It was necessary never to use harsh words which would stir up public opinion and give strength to this side which seemed to be for the moment prevalent in Japan.

M. Hymans introduced the broader question of Manchuria, stating

[86] Suggested by a Japanese spokesman, apparently as a trial balloon.

that he did not think a solution would be pressed for in the Assembly Committee on May first, nor did he think that such a solution ought to be accepted even if pressed for until the Lytton Committee had had time to make a report. The Secretary concurred, and mentioned the difficulties which the Lytton Committee was experiencing through the obstacles placed in its way by certain Japanese authorities within Manchuria. The Secretary went on to explain that thirty years ago Manchuria was open land, with very few people; that since that time the Chinese population had become thirty millions, and the Japanese two hundred thousands; that one could not escape the conviction that the Japanese were animated by a desire to bring about a state of things in which their interests were altered from economic interests in Manchuria, with which he had a sympathy, into political interests in Manchuria, being domination by this two-hundred-thousand people over the thirty million Chinese; this domination represented a conception of relations of States which he had hoped that we had all outgrown and which, if allowed to continue, would throw us back in the march of history. But of course the attempt to introduce such a system would bring about inevitable interior difficulties, and the Secretary said bluntly that insofar as he could do so he would by public reiteration in conformity with such reiteration on the part of the other States of the world, seek to keep ever before the Japanese people the difficulty of the task they had undertaken, through the non-recognition of what they had done and through the constant focusing of public attention on the violation of the treaty obligations involved. He added that if the United States called attention to a violation of the Kellogg Pact or the Nine Power Treaty it would have a certain influence but would be speedily forgotten, whereas if the States of the world did this world public opinion could not fail to affect a proud nation like the Japanese.

The Secretary then took up the failure of the Japanese to colonize Manchuria when they had every opportunity for doing so. He pointed out that similar failures were shown in their inability to colonize Formosa and Hakodate [*Hokkaido?*], to the south and north of them; they were not a colonizing people, and no amount of Government encouragement had been able to make them so. Thus what they had hoped to obtain in Manchuria by infiltration, the advance of commerce and the taking up of land, they were now endeavoring to seek by armed force.

Finally, the Secretary expressed his very high appreciation of the manner in which M. Hymans had conducted the Assembly meetings, told him he was following the march of their progress with the utmost interest and with the most sincere desire to cooperate. He added that

the systems in the western world and in Europe had so many contradictory points that it was difficult to see how they could be brought into the same system, but that the immediate problem was to find the means by which those two systems could efficaciously and harmoniously work together for the peace of the world.

M. Hymans gave hearty assent.

574.D7/1613 : Telegram

Mr. Hsieh Chieh-shih to the Acting Secretary of State

CHANGCHUN, April 23, 1932.
[Received 5:10 a.m.]

Minister of Foreign Affairs at Changchun has the honor to inform that government of state of Manchuria desires to adhere [to] International Radiotelegraph Convention of Washington[87] and general and additional regulations annexed thereto. For participation in the expenses International Bureau Manchuria requests assignment in 6th class. Please telegraph date of notification of this adhesion to the contracting states according to article 9 of this convention. Minister Foreign Affairs Changchun.[88]

793.94/5094 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 23, 1932—2 p.m.
[Received April 23—7:27 a.m.]

Department's 147, April 20, 6 p.m.;[89] my April 21, 2 p.m. from Shanghai and Department's 149, April 22, 5 p.m.[90]

1. Identic message communicated to the Secretary from Shanghai, April 19, 3 p.m.,[91] insofar as it related to responsibility of Mixed Commission was in line with views of Lampson and myself though in conversation with him on Monday, April 18, prior to my departure for Nanking and before we knew that our opinion was to be asked, it had from the first been our intention to put our respective Consuls General

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[87] Signed November 25, 1927, *Foreign Relations*, 1927, vol. I, p. 288.

[88] In repeating this telegram to the Secretary of State at Geneva, the Department's telegram No. 58, April 25, 7 p. m., stated that "The Manchurian regime has not been recognized by any party to the convention" and that the telegram from Changchun was being filed without reply.

[89] Not printed; it reported telegram No. 84, April 19, 9 p.m., from the Minister in Switzerland, p. 703.

[90] Latter not printed; it reported telegrams No. 85 [*86?*], April 21, 4 p.m., and No. 87, April 22, 1 p.m., from the Minister in Switzerland, pp. 706 and 712.

[91] See telegram No. 88, April 23, 2 p.m., from the Minister in Switzerland, *infra*.

upon this Commission as our personal representatives and we felt that in view of all of the conditions here we did not wish to impose upon them or their colleague serving on this Commission the responsibility of deciding which conditions at Shanghai would permit of the withdrawal of the Japanese forces. It was our feeling that the last paragraph of annex 4 of the draft agreement gives sufficient latitude and discretion to the Commission to enable it to do even that if it so desired but the Commission was free and could not be forced by the Chinese to accept such a responsibility.

2. I have complete text of draft resolution in 14 paragraphs as supplied to me by Lampson.

3. I returned to Shanghai yesterday and saw Lampson at 4:30. He had just been to see the Japanese Minister. The latter informed Lampson that paragraph 11 was unacceptable to the Japanese Government as it objected to any third party being given even by implication the power to decide when Japanese troops should be evacuated from Shanghai. Objection was made specifically to the words "competence to declare". In the course of the conversation which ensued Lampson and Shigemitsu examined annex 4 of the draft agreement and Shigemitsu pointed out that the last paragraph appeared to authorize the Commission to perform the function which the League desired. Lampson then suggested adding the following words to the second paragraph of annex 4 in order to clarify this matter: "and is authorized to call attention to any neglect in the carrying out of the provisions of any of the three articles mentioned above". Shigemitsu gave Lampson his word that he would support agreement conformable with his Government if we could get the Chinese Government to accept it in lieu of the phraseology of paragraph 11 of the resolution.

4. I suggested to Lampson that we get Quo in and put the matter before him. Quo came and after some discussion in the course of which we pointed out to him that the second paragraph of annex 4 of the draft agreement thus amended seemed to us to be just as satisfactory as the phraseology of paragraph 11. The Japanese after all merely named the Commission to certify to certain facts but did not thereby impose any obligation on the Japanese Government to act in accordance with the facts so certified. He stated that he was prepared to urge its acceptance upon the Chinese Government. Quo and Lampson left last night by steamer for Nanking and will be there tomorrow morning. They plan to return to Shanghai on Monday April 25th, by air. While in Nanking they will endeavor to persuade Chinese to accept this amendment in lieu of paragraph 11 and if successful will notify me by telegraph and I promised to urge Shigemitsu to take the matter up with his Government.

5. This has all been communicated to the British Foreign Secretary

by Lampson with the additional suggestion that paragraph 11 of the draft resolution be amended by dropping all of the words beginning "competence to declare" to the end of the paragraph and substituting therefore "authority to call attention to any neglect in the carrying out of the provisions of any of the articles mentioned above".

6. Repeated to Geneva. JOHNSON

793.94/5095 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 23, 1932—2 p.m.
[Received April 23—11:35 a.m.]

88. For Hornbeck from Klots. Your 54, April 22, 5 p.m.[92]

No reason at all. Thought text of Shanghai's April 19, 3 p.m., had already been sent. Text is as follows:

"April 19, 3 p.m. For the Secretary. Your April 18, 11 p.m.[93] At a meeting this noon of the representatives of the four interested powers it was agreed to send the following identic replies to the inquiries received from our respective Governments.

'We consider that there is no objection to provision that Joint Commission should follow progress of local conditions in the Shanghai area and that its neutral members should send reports thereon from time to time to Geneva or if either side prefers to our respective Governments. Provision has already been agreed to (see last paragraph of annex 4 of draft agreement) that "Commission will in accordance with its instructions watch in such manner as it deems best carrying out of articles 1, 2 and 3 of agreement". We feel that Commission and its neutral members should not be asked to assume greater responsibility than the above. Such reports should supply sufficient indication of the views of the neutral members of the Joint Commission as to local conditions. Point might be met by addition to proposed resolution of words to the effect that the Committee of Nineteen recommends that the Joint Commission to be established under the agreement should follow the progress of local conditions and that its members, representing the participating friendly powers, should accordingly send reports from time to time to Geneva or to their respective Governments.'

The above is our report [*reply?*] to specific questions raised in your inquiry but seen from this end it will be wiser if not too late to adhere to our original proposal (see last paragraph of identic telegram of April 13).

Your April 18, 11 a.m. [*p.m.?*], and this reply are being repeated to Mr. Johnson in Nanking.

Sir Miles stated that Shigemitsu intimated to him the Japanese would prefer it if any reports which the neutral members may have occasion to make were addressed to their respective Governments rather than to the League.

Department has not been informed. For the Minister, Engert."

WILSON

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[92] Not printed.

[93] See telegram No. 82, April 18, midnight, from the Minister in Switzerland, p. 697.

893.711/80

The Consul General at Harbin (Hanson) to the Minister in China (Johnson) [94]

No. 2367 HARBIN, April 23, 1932.

SIR: I have the honor to refer to my despatch No. 2358, addressed to the Legation under date of April 7, 1932,[95] on the subject "Detention of American Publications in the Mails by Japanese Censors". As indicated therein the attention of the postal authorities and the Japanese Consulate General here was at that time directed to the alleged removal and detention of certain publications of the American Mission of Seventh-Day Adventists by a Japanese censor stationed in the Post Office at Changchun.

A reply has now been received from Mr. F. L. Smith, the Harbin Post Commissioner, quoting a report from the Deputy Commissioner of Posts at Changchun confirming the detention of copies of one of the publications of the American Mission by the Japanese censors. The Deputy Commissioner adds that the censors state "that if no anti-Japanese propaganda is published in future, the paper will not be detained; but that copies already detained cannot now be released". A copy of Mr. Smith's note dated April 22, 1932, is enclosed.[95]

It is therefore apparent that under existing conditions, American mail in Manchuria is subject not only to censorship, but to detention by the Japanese authorities.

Respectfully yours, G. C. HANSON

893.01 Manchuria/149 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 25, 1932—11 a.m.
[Received April 25—3 a.m.]

464. The following from American Consul General at Harbin:

"April 23, noon.

1. Vice Consul Takigawa stated that yesterday Japanese troops after one hour's fighting with old Kirin troops near Imienpo caused them to retreat and that early this morning 3,000 brigands attacked

[94] Copy transmitted to the Department by the Consul General at Harbin in his despatch No. 5397, April 23, 1932; received May 20.

[95] Not printed.

the town and occupied the Chinese Eastern Railway station at Sanchaho, 102 kilometers south of Harbin, thus holding up traffic for a few hours.

2. Traffic on eastern line still suspended. Soviet management has promised to furnish necessary rolling stock for transportation of Japanese troops."

For the Minister:
PERKINS

793.94/5061 : Telegram

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

WASHINGTON, April 25, 1932—5 p.m.

153. For the Minister. Shanghai's telegram to Department No. 214, April 19, 10 a.m. Department approves the attitude of and the action taken by the Consul General in regard to difficulties experienced by the Robert Dollar Company and by Andersen, Meyer. Department desires that, in addition to action already taken, you take up these cases with the Japanese Minister in a further effort to bring about a prompt and a satisfactory settlement.

With regard to police protection of American property located in Chapei and surrounding Chinese territory, Department desires that all appropriate and practicable assistance and protection be given legitimate American interests located there but is reluctant to have any action taken by representatives of the American Government which may tend to consolidate or strengthen Japanese control in the areas under reference. Department therefore suggests that after consultation with Cunningham you inform the Department of your recommendations on this subject.

With regard to paragraph 2 of Shanghai's telegram under reference, Department believes that in making representations to Japanese authorities regarding American losses and protection of American property, the rights of such American interests are in no way prejudiced by failure to include a clause similar to that suggested in Shanghai's 100, February 23, 3 p.m. If, however, you and the Consul General feel that the addition of such a clause would assist in bringing about a settlement, you are granted discretion in the use thereof.

With regard to paragraph 3 of Shanghai's telegram under reference, Department is of the opinion that the technical question of "recognition" of "Japan's *de facto* authority" is not involved. Department desires that whenever legitimate American interests suffer injury the fact of such injury and a request for prompt and effective remedial

action be made known to the responsible authorities. The procedure mentioned in the first paragraph of this instruction may be followed whenever appropriate.

Please inform the Consul General and repeat to Legation.

CASTLE

893.01 Manchuria/151 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Wilson)

WASHINGTON, April 25, 1932—6 p.m.

57. For the Secretary of State. In reply to special inquiry by Department regarding items reported concerning Ohashi, until recently Japanese Consul General at Harbin, Legation, Peiping, telegraphs under date April 25:

"Ohashi will be in charge of general affairs in the Foreign Office at Changchun. In this capacity the foreign affairs of the new government will practically be in his hands."

CASTLE

793.94/5109 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 26, 1932—noon.
[Received April 26—2:50 a.m.]

My April 23, 2 p.m. High Commission heard from British Minister who is returning from Nanking today that Chinese Government is prepared to accept suggested amendment to paragraph 11 of new draft resolution. That he has so informed his Secretary for Foreign Affairs at Geneva and has told him that Wang Ching-wei and the Chinese Minister for Foreign Affairs have made it plain that this represents China's last word and limit of her concessions.

Not repeated to Geneva.

JOHNSON

793.94/5124 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 26, 1932—9 p.m.
[Received April 26—6:45 p.m.]

89. Sweetser reports that at a private meeting of the Nineteen this afternoon British representative Londonderry stated that Lampson

reported that the Japanese Minister was ready to accept a formula in the armistice agreement reading as follows:

Second paragraph, article 4:

"The Commission will, in accordance with its decision, watch in such manner as it deems best, the carrying out of the provisions of articles 1, 2 and 3 of this agreement and is authorized to call its attention to any neglect in the carrying out of any of the provisions of the three articles mentioned above."

Lampson proceeded to Nanking and reported to Johnson in Shanghai that the Chinese accept the phraseology with the addition, after "attention" of the words "in accordance with its decisions taken in such manner as provided in the said annex".

At the same time the whole of article 11 in the draft resolution of the Committee of Nineteen would be eliminated and would be replaced by an identic paragraph to the one referred to above, this at the instance of the Chinese Government.

Shigemitsu is endeavoring to obtain the consent of his Government and is expected to report tomorrow.

Because of this information the Committee of Nineteen decided to take no immediate action waiting further reports.

WILSON

793.94/5127 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 27, 1932—1 p.m.
[Received April 27—5:12 a.m.]

Your 153, April 25, 5 p.m., to Shanghai.

1. I am preparing a letter to my Japanese colleague protesting against obstacles placed in the way of, or damage done to, American business interests located in Chapei and other areas now under temporary control of Japanese military where specific information is available.

2. With reference to police protection of American property located in Chapei and adjacent Chinese territory, I have discussed matter with Cunningham and we find question one of great delicacy particularly in view of the fact that negotiations now progressing contemplate withdrawal of Japanese military into Settlement area and municipal and extra-Settlement roads adjacent to Hongkew and returning previously occupied area to jurisdiction of Chinese police. We agree that it would be dangerous for us to request the Japanese to afford police

protection to American interests in areas mentioned lest such a request be used by the Japanese as justification for continued stationing of Japanese military in those areas.

3. We believe that question should be limited somewhat along the following lines. I will communicate with Japanese Minister calling attention to the fact that American interests have considerable funds invested in property and business in certain designated areas (without mentioning control there) and stating that these interests have complained to us that the activities of the Japanese military in those areas have prevented functioning of the Chinese police administration hitherto affording protection against bad characters and that we must therefore hold the Japanese Government responsible for any damage that may be done to American property in those areas due to the interference by the Japanese military with the functioning of the Chinese police. This attitude would seem to be consistent with our policy in regard to the whole question and places on record our understanding that appropriate and legitimate authority in those areas are in Chinese hands and that we are holding the Japanese responsible for damage and obstruction due to the fact that they have interrupted that authority.

4. Referring to the third paragraph of the Department's 153, April 25, 5 p.m., the Consul General and I are of the opinion that it would be desirable to include the clause suggested in Cunningham's telegram 100 of February 23, 3 p.m.

5. I discussed with my British colleague the question of responsibility for damages and he informs me that he has referred the matter to his Government and has asked that the legal department of the Foreign Office advise him as to the general policy which should guide him in determining what claims should be presented and to whom. I think it would be helpful if the Department could give me instructions along similar lines for my guidance in answering questions here.

JOHNSON

793.94/5254

Memorandum by the Consul General at Nanking (Peck) [97]

[NANKING,] April 27, 1932.

About 4:30 p. m. Mr. Ingram called at the American Consulate General and just as he and Mr. Peck were discussing the Shanghai

[97] Of a conversation with Dr. Thomas F. Millard, Adviser to the Government of the Republic of China, and Mr. E. M. B. Ingram, British Counselor of Legation. Copy of memorandum transmitted to the Department by the Consul General at Nanking in his despatch No. D–258, April 28, 1932; received May 21.

negotiations Dr. Millard came in. The ensuing conversation consists largely of expressions of opinion by Dr. Millard elicited by questions put by Mr. Peck. The gist of Dr. Millard's observations follows:

Dr. Millard is emphatically of the opinion that a signed truce agreement at Shanghai is not important from the standpoint of China's welfare. On no account should China sacrifice anything, whether of principle or tactical advantage, to obtain such an agreement. On the contrary, as long as there is not formal agreement to refrain from hostilities the rest of the world will continue to pay close attention to Japanese actions at Shanghai, and this will be advantageous from China's standpoint. An agreement fixing the regions which the Japanese forces should be allowed to occupy would necessarily import a certain legal sanction to the presence of Japanese forces which, in the absence of such an agreement, remains unauthorized. Dr. Millard thinks that, in point of view of fact, a resumption of hostilities is unlikely. He thinks this is realized by the commercial interests and that business will revive, even without the assurance which a formal truce would give. Such an assurance would, in any case, probably prove undependable unless the general Sino-Japanese controversy is settled. Dr. Millard said that he had expressed these views to the Chinese Government and that he had come to Nanking a day or two before for the purpose of talking with the Minister of Foreign Affairs in his capacity of adviser.

Dr. Millard expressed his positive belief that the trend of international politics in the Far East will inevitably involve the United States in war with Japan within the next few years. He pointed out that the American Government has taken so positive a stand in opposition to Japan's actions in Shanghai and Manchuria that a sharp issue has been raised which can be settled only through a complete back down either by Japan or by the United States. Dr. Millard asserted that the American Government in its approximately one hundred and fifty years of history had never backed down on a position formally taken.

Dr. Millard said that the justification which Japan professes to find for her oppressive acts in China in the alleged fact that China is "an unorganized state" is entirely unwarranted. He pointed out that the Nine-Power Treaty signed in 1922 was designed to protect China and that the avowed reason for concluding such a protecting treaty was the fact that China was not completely organized as a state. For Japan to take as an excuse for violating this treaty the very circumstance on which the treaty is based can deceive nobody. This treaty owes its existence largely to the American Government and if the American Government acquiesces in the scrapping of the treaty the

Government not only will be abandoning all claim to influence in the Orient, but will be giving its acquiescence to the idea that all treaties are meaningless. The United States is unquestionably the most powerful and most important nation in the Pacific Ocean area; its position in regard to the sanctity of treaties is known to the world; consequently, it is unthinkable that the American Government should acquiesce in the open violation of the Nine-Power Treaty in which Japan is now engaged.

Dr. Millard pointed out that the participation of the United States in the European War was brought about by causes far less potent than those causes which he had just described as being certain to involve the United States in war with Japan. During the first two or three years of the European War there was no important sentiment in the United States in favor of entering the war. America entered the war to protect her rights as a neutral. Not only did the United States have no connection with the international relationships which brought about the war, she even entered the war in almost complete ignorance of many of the secret international agreements which had occasioned the war, or which had been concluded in the first years of the war. America did not know to what she was committing herself in joining the Allies. At the present moment, on the contrary, the issues which are at stake are clearly known to everybody and the United States is identified in the eyes of the world with the championship of these issues.

It was the opinion of Dr. Millard that the military party in Japan has forced the Japanese Government to undertake its present military adventures in China. The military party saw itself faced with extinction and deliberately compelled Japan to undertake the present military operations in Shanghai and Manchuria, in the hope that a satisfactory outcome would reestablish the military party in its former dominant position in Japanese politics. China, however, has much to hope from the probability that the enormous expense entailed by these military operation[s] may rouse the Japanese people against them and may even, if other tactics fail, bring about a revolution and the overthrow of the present Japanese Government. It is evident, therefore, that it is all to the advantage of China to protract the present situation. China can not defeat Japan in military operations, but China can involve Japan in ruinous expenditures which may bring about the downfall of the Japanese Government. Dr. Millard believes that it would not be especially advantageous for China to find a halfway solution to the Shanghai and Manchurian controversies with Japan. He is of the opinion that practically the entire peace organization of the Japanese Army is now on the mainland, in Korea

and Manchuria, and that the Japanese Government cannot indefinitely stand the drain on its financial resources which this entails.

Dr. Millard said that he had told the Chinese Government shortly after September 18, 1931, that while the Chinese Government ought to take its grievances against Japan to the League of Nations for adjustment, the League would not be able to take effective action against Japan. Nevertheless, the League's actions in this connection would give valuable publicity to China's cause and its discussions, the creation and sending to China of commissions, etc., would be all to the good.

Note: On the morning of April 25th Mr. Peck had a conversation with Dr. Lo Wen-kan, Minister of Foreign Affairs, in the course of which Dr. Lo expressed the opinion that there was no urgency from China's standpoint in bringing the truce negotiations at Shanghai to a conclusion. He intimated that the disadvantage to China of a resumption of hostilities would be less than that entailed by the concluding of an agreement which would give a quasi-sanction to the presence of Japanese troops in the Shanghai area. He said that China could not afford to sacrifice anything, merely for the purpose of bringing about a formal truce. The only thing which would be of real benefit to China would be the immediate and complete withdrawal of the Japanese forces. The presence of these forces is a threat to China and creates an uncertainty in the whole situation and this must be ended before China will be materially benefited. Mr. Peck observed that the American and British Ministers and their colleagues were working extremely hard in Shanghai in an endeavor to bring about a truce agreement between China and Japan, but that it was obvious they could not succeed unless they had some cooperation from China. In view of this fact, Mr. Peck said, he could not but feel that the views just expressed by Dr. Lo showed a rather inadequate appreciation of the efforts which were being made to bring about the truce. Dr. Lo insisted that China was very appreciative of the efforts being made by Mr. Johnson and Sir Miles Lampson and he said that when these two gentlemen visited Nanking recently the members of the Government had tried to show how grateful they were. Nevertheless, China had her own difficulties and could not afford to purchase a truce agreement at too high a cost in the way of sacrificing interests or principle.

The American Minister supplied the Department, in his confidential despatch of April 5, 1932, with a copy of a memorandum by Dr. Millard, dated March 30, 1932.[98] In that memorandum Dr. Millard explained much more fully than he did orally to Mr. Ingram and Mr. Peck his views regarding China's policy towards Japan, the relative

[98] Neither printed.

unimportance of the League and the decisive role which the United States must play in the settlement of this Far Eastern controversy. In that memorandum Dr. Millard was careful to point out that he had expressed these various views to the Chinese Government in memoranda submitted as early as October, 1931.

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793.94/5133 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 28, 1932—8 p.m.
[Received April 28—3:55 p.m.]

90. Committee of Nineteen met in secret session this afternoon. I am informed that information was furnished that both the Chinese and Japanese have accepted the Lampson proposal as to the duties of the Mixed Commission. The Japanese are still making some difficulty as to detail concerning the position of the Chinese troops.

The Committee is summoning the Assembly for Saturday morning[1] at which time the draft resolution containing article 11 as last reported to you will be submitted. It is not known definitely what action the Japanese will pursue but it is expected that they will either vote for or abstain and it is not anticipated that they will raise objections.

WILSON

793.94/5132 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 28, 1932—9 p.m.
[Received 10:55 p.m.[2]]

My April 23, 2 p.m., and April 26, noon.

1. At meeting of four colleagues this morning British Minister read to us a telegram from Geneva dated April 27th which contained the following:

"In order to bring matters to a conclusion amendment to draft armistice suggested by you must first be agreed to by both parties. Draft armistice will then come before Committee of Nineteen with the following words added at the end of annex 4: 'and is authorized to call attention to any neglect in the carrying out of provisions of the three articles mentioned above'. Committee will then pass a resolution in article 11 of which they will take note of agreement thus reached by parties."

[1] April 30.
[2] Telegram in two sections.

2. He also read to us a telegram from Geneva dated April 28th stating that text of article 11 of resolution which it was now proposed that Committee would adopt would be as follows:

"11. Takes note of fact that powers as defined in annex 4 of draft agreement of Commission which is to watch carrying out of article No. 1, article No. 2 and article No. 3 of that agreement, include authority to call attention in accordance with Commission's decisions, taken in such manner as is provided in said annex to any neglect in carrying out and [*any*] of provisions of articles mentioned above."

3. The above indicated that Committee of Nineteen at Geneva was waiting upon negotiators here formally to accept proposed amendment as part of draft agreement before adopting resolution. Lampson and I therefore called upon Quo at noon today and got him to agree to meet with Shigemitsu at 3 this afternoon for the purpose of accepting formally amendment to annex 4.

4. Accordingly at 3 p. m. Shigemitsu and Quo met in the presence of representatives of four friendly powers and accepted formally the amendments suggested above. This information is being conveyed to Geneva by Lampson.

5. In the course of one meeting today Quo suggested that the first 15 words of the first sentence of article No. 3 of draft agreement (see my telegram March 28, 9 p.m.) "in accordance with the program regulating withdrawal as shown in annex 2 of this agreement" be dropped. Shigemitsu consented to this and it was then agreed that annex 2 should be added to annex 3 with no change except substitution of the word "above" for the words "in annex 3" in the first sentence of annex 2. Annexes 3 and 4 will then be renumbered 2 and 3, respectively.

6. Quo objected to the words "referred to in the penultimate sentence of article 4 of the agreement" occurring at the end of the separate voluntary declaration by the Chinese Government (see my March 28, 9 p.m.) on the ground that declaration was separate and not connected with the agreement; that such was understood and that therefore reference to specific article was objectionable to the Chinese. Shigemitsu at first demurred but finally consented to refer to his Government the following words: "who take over from the evacuating Japanese forces in accordance with the arrangements for a cessation of hostilities at Shanghai" in substitution for objectionable passage.

7. Phraseology of agreement has now been entirely accepted by Shigemitsu and Quo, except for passage just quoted which should give no trouble.

8. There remains but one outstanding question now unagreed to and

that is the positions of Chinese troops south of Soochow Creek and on the Pootung side of the Whangpoo River. The Japanese continue to demand that Chinese designate positions of their troops in those areas. Purpose of course is to fix Chinese troops in positions so indicated and Chinese have consistently refused to comply for they realize that agreement will fix troops at points designated for an indefinite period. Lampson and I have supported Quo in his position. We have maintained that in the beginning all discussion concerned itself with troops actually engaged in hostilities and that negotiations were for the purpose of separating these troops and bringing about a cessation of hostilities. We have supported Quo in the claims that to discuss their troops to the south of Soochow Creek and on the Pootung side of the Whangpoo is to introduce new matter into the discussion. It is our hope that with text agreed to and League resolution passed we will be able to persuade Japanese to drop this question so that it should be possible to sign the agreement early next week.

9. It is my purpose to designate the Consul General as my civilian representative on the Mixed Commission and to ask one of the military language officers in Peiping to serve as my military representative. I wish to keep Drysdale free for use in Manchuria should that seem necessary.

10. I hope that with the signature of this agreement the Department will approve my return with staff to Peiping.

JOHNSON

793.94 Commission/196

The Chinese Assessor to the League of Nations Manchuria Inquiry Commission[3]

A message from the Chinese Assessor to the League of Nations Manchuria Inquiry Commission in Mukden stated:

The Chinese Assessor and his Staff have been completely isolated and under strict surveillance by Japanese police agents in Mukden. All Chinese were forbidden to approach or communicate with the Chinese Delegation. Several Chinese were arrested for trying to call on the Chinese Delegation members. Two arrests were eye-witnessed by Edward Hunter of the International News Service.

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[3] Copy transmitted to the Chief of the Division of Far Eastern Affairs by the Chinese Chargé in his note of April 28, 1932, stating that the message was "relayed by the Ministry of Foreign Affairs, Nanking, for the information of the State Department."

893.01 Manchuria/172 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 29, 1932—noon.
[Received April 29—3:45 a.m.]

481. Following from American Consul General at Harbin:

"April 28, 5 p.m.

1. Although military forces have reached Hailin and main body of old Kirin troops have fallen back eastward, conditions along the eastern line of railway from Imienpo east are still deplorable. It is reported in the press that Japanese military are themselves operating some trains.

2. On April 28th there arrived at Harbin Colonel Komatsubara, new chief of local Japanese military mission, who speaks Russian and who is the successor to Doihara, who will leave for Japan on May 1st.

3. Pensionless discharged railway employees, some of whom are in desperate need and some of whom are no doubt urged on by Japanese agents to embarrass the railway management, demonstrated in front of the American, British, French and Japanese Consulates and demanded from the directors of the railway the money due them. Police adviser Yagi, a Japanese, who is in direct charge of the local police, as he has reduced the Chinese chief of police to a nonentity, is attempting to negotiate between the parties. It is feared that the Soviet side will refuse to grant immediate relief to the pensioners and that serious trouble will result.

4. Chinese officials in the employ of new government institutions confirm reports that the Japanese do not desire capable Chinese officials to work with them and that the former are more and more openly showing that they are directing and controlling the activities of the new government and of governmental and semi-governmental enterprises.

5. Manager of the [Huhai?] Railway, General Kao of the old regime, has been replaced by a pro-Japanese Chinese."

For the Minister:
PERKINS

793.94/5134 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, April 29, 1932—1 p.m.
[Received April 29—4:40 a.m.]

At about 11:30 this morning during military review for Japanese Emperor's birthday an unknown Oriental approached reviewing stand in Hongkew Park and threw a bomb onto the speakers' stand. Shigemitsu, Japanese Minister, and Shirakawa, Japanese commander in chief, were severely wounded. Other Japanese officials also

wounded. Condition of Shigemitsu and Shirakawa not yet known. Colonel Drysdale, Military Attaché, standing nearby witnessed incident.

JOHNSON

793.94/5136 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 30, 1932—11 a.m.
[Received April 30—5:45 a.m.]

91. Sir John Simon sends me a letter dated April 29th suggesting that it might be desirable for the four Ministers at Shanghai to resume joint reports to Committee of Nineteen at suitable intervals briefly narrating any developments such as military movement, progress of negotiations, et cetera.

I have consulted with the Secretary and he states that he desires this submitted to you but for his part sees no objection to procedure suggested.[4]

WILSON

793.94/5140 : Telegram

The Minister in Switzerland (Wilson) to the Acting Secretary of State

GENEVA, April 30, 1932—noon.
[Received April 30—10:23 a.m.]

92. From the Secretary. My 162 [*161 bis*], April 29, 9 p.m.[5] In addition to reported resumption of General Disarmament Conference, I have during the past week had further most satisfactory interviews in respect to the Sino-Japanese situation. My talk with Hailsham proved unexpectedly satisfactory. Not only is he strong conservative and Minister of War but he has personal knowledge of Far East through representing Britain in the Institute of Pacific Relations in 1929. He is keenly alive to the present situation and sympathetic with our viewpoint. My talk with him was so satisfactory that it seemed to me to eliminate the necessity of my going to London to confer with Baldwin or other conservatives. I have had further talks with MacDonald and Simon together in which we covered the pending situation in Manchuria in every detail. Simon has told me that he is giving directions to the Foreign Office that all decisions respecting the Man-

[4] Telegram repeated by the Department in telegram No. 161, April 30, 3 p.m., to the Consul General at Shanghai for the Minister in China, with instructions to telegraph "texts of any joint reports that may be submitted."

[5] Vol. I, p. 112.

churian state must be brought to him personally so as to avoid danger of their being decided merely by departmental routine. He has told me of a new issue caused by a demand of the Manchurian state for salt revenues which he thinks makes a better test issue upon which America and Britain can base their public [*protest?*] to Japan and to the world. When this proposal comes to the Department I think we should consider it with the utmost care. On his statement I was inclined to agree with his position that a protest on it would be less open to defense from Japan. I have also talked at length with Drummond so that he would be familiar with our position; also with various members of the small powers represented on the Committee of Nineteen who are the most effective supporters of our policy against Japan in Geneva. This includes Beneš of Czechoslovakia, Ramel of Sweden, Hymans of Belgium, and others. I have also had two talks with Matsudaira and one with Yen. The leaders of the League are fully alive to the seriousness of the challenge which Japan's attitude has made to the efficiency of their organization. They look forward to a possible crisis in May when the Assembly reconvenes or an almost certain one in September after the Lytton report. They are most anxious to be given all information which we can properly give them saying that our information is better and clearer than any other. I have promised to give them all I properly can. Our position on the mandated islands is thoroughly understood and recognized as one of the possible key points in the controversy. If I had done nothing in regard to the Disarmament Conference I should feel that my conversations in regard to Japan and China had made the trip worth while. [Stimson.]

WILSON

793.94/5139 : Telegram

The Consul at Geneva (Gilbert) to the Acting Secretary of State

GENEVA, April 30, 1932—1 p.m.
[Received April 30—12:45 p.m.]

165. The Assembly in plenary session this morning passed unanimously (Japan abstaining) the following resolution submitted to it by the Committee of Nineteen:

"The Assembly

1. Considering that its resolutions of March 4 and 11 recommended that negotiations should be entered into by the Chinese and Japanese representatives with the assistance of the military, naval and civilian authorities of the powers having special interests in the Shanghai Settlements for the conclusion of arrangements which shall render

definite the cessation of hostilities and regulate the withdrawal of the Japanese forces;

2. Considering that while it is not for its committee to take the place of the negotiators—since the arrangements contemplated in the Assembly resolutions of March 4 and 11 can only be concluded on the spot—every power represented in these negotiations is entitled, should serious difficulty be encountered in the course of the negotiations or in the carrying out of the above-mentioned arrangements, to notify the Committee 'which exercises its functions on behalf of and under supervision of the Assembly' of those difficulties;

3. Considering that the negotiations should be pursued in accordance with the above-mentioned resolutions, no one of the parties being entitled to insist on conditions which would be incompatible with the said resolutions;

4. Having noted the articles of the draft armistice which have been communicated to the Committee of the Assembly and have been accepted by the two parties;

5. Considers that these articles conform to the spirit of the said resolutions;

6. Notes in particular that under article 3 of the said draft, the Japanese Government undertakes to carry out the withdrawal of its forces in the International Settlement and the roads outside the Settlement in the Hongkew district as before the incident of January 28, 1932;

7. Declares that it is in accordance with the spirit of the resolutions of March 4 and 11 that this withdrawal should take place in the near future;

8. Declares that the resolution of March 4 will only have been fully complied with when Japanese forces have been entirely withdrawn;

9. Notes that the draft agreement provides for the establishment of a joint commission including neutral members to certify the mutual withdrawal and to collaborate in arranging for the transfer from the evacuating Japanese forces to the incoming Chinese police who will take over as soon as the Japanese forces withdraw;

10. Notes with satisfaction that the said commission will in accordance with its decisions watch in such manner as it deems best the carrying out of articles 1, 2 and 3 of which the last-named provides for the complete withdrawal of the Japanese forces as before the incident of January 28th;

11. Is of the opinion that the powers, as defined in annex 4 (now annex 3) to the draft agreement, of the Commission which is to watch the carrying out of articles 1, 2 and 3 of that agreement, include authority to call attention, in accordance with its decisions taken in such a manner as it provided in the said annex, to any neglect in carrying out any of the provisions of the articles mentioned above;

12. Earnestly recommends the parties in question to continue the negotiations with a view to reaching their rapid conclusion, and requests the governments having special interests in the Shanghai Settlements to continue to lend their good offices for this purpose;

13. Expressly points out that unless a conclusion is reached as laid down in the resolution[s] March 4 and 11, the question will necessarily come up again before the Assembly;

14. Requests the governments of the powers having special interests

in the Shanghai Settlements to transmit to the League of Nations the information which will be in the possession of the mixed commission in virtue of its functions, and will be furnished to those governments by their respective representatives of the commission."

The resolution quoted above was adopted practically without discussion, the Japanese and Chinese representatives limiting themselves to an explanation of the position of their respective Governments with regard thereto. Yen emphasized the repeated concessions which China has made in an endeavor to bring to a successful conclusion and declared that his Government in accepting the resolution is acting solely in the interest of peace without, however, abandoning government rights under the Covenant with respect to China's territorial integrity. The Japanese representative declared that his Government is prepared to sign the draft agreement formulated by the Committee at Shanghai and explained that his abstention from voting was based on the reservation which Japan has felt bound to observe with regard to the application of article 15 to the Sino-Japanese dispute.

On the conclusion of these remarks the President declared the Assembly adjourned until further notice. The Committee of Nineteen also submitted today a report to the Assembly[6] in execution of paragraph 1, part 3, of the Assembly's resolution of March 11, 1932 (in passing this resolution explains that a further report in compliance with paragraph 7 of the same resolution will be circulated shortly).

The report submitted today, comprising some 25,000 words, first gives a brief résumé of the present situation at Shanghai with respect to the cessation of hostilities and the withdrawal of troops; then follows a statement setting forth in chronological order a history of the armistice negotiations at Shanghai and explaining the efforts of the Assembly Committee to facilitate an agreement, culminating in the adoption by the Committee of the text as quoted above of article 11 of the resolution. Inasmuch as this report appears to contain no elements which are not already known to the Department, the Consulate will not cable the text unless instructed, but will forward it by mail. The Assembly this morning took no formal action on this report.

GILBERT

793.94 Commission/192 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, April 30, 1932—7 p.m.
[Received April 30—7:55 a.m.]

487. Following from American Consul General at Mukden:

"April 30, 10 a.m. League Commission of Inquiry will leave Muk-

[6] League of Nations, *Official Journal*, Special Supplement No. 101, p. 96.

den Monday morning[7] for Changchun and North Manchuria, accompanied by Wellington Koo and the reduced Chinese staff."

For the Minister:
PERKINS

793.94/5132 : Telegram

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

WASHINGTON, April 30, 1932—4 p.m.

162. For the Minister. Your April 28, 9 p.m.

1. Your purpose, as indicated in paragraph 9 of your April 28, 9 p.m., has the Department's approval provided the representatives of the other participating friendly powers make similar designations.

2. When informed that the agreement has been signed, the Department will give consideration to the question of your return to Peiping mentioned in paragraph 10 of your telegram.

CASTLE

793.94/5156

The Chinese Ministry of Foreign Affairs at Nanking to the Chinese Legation[8]

[NANKING,] April 30, 1932.

With regard to the bomb outrage at the Hongkew Park, Shanghai, we have received reliable reports that the bomb-thrower was a Korean who was already arrested by the Japanese troops, and that the place where the outrage took place had been guarded by Japanese troops where Chinese could not enter.

693.002 Manchuria/290

The British Secretary of State for Foreign Affairs (Simon) to the Secretary of State, at Geneva

GENEVA, 30 April, 1932.

MY DEAR MR. STIMSON: When we spoke about Manchuria the other day, I promised to let you have my latest information as to the action of the Manchurian authorities in relation to the administrative in-

[7] May 2.

[8] Copy of telegram transmitted to the Chief of the Division of Far Eastern Affairs by the Chinese Chargé under covering letter of April 30, 1932.

tegrity of China. There are two separate points to be mentioned, one as regards the customs and the other as regards the salt gabelle.

(1) As regard the customs, I have refreshed my memory of our latest telegrams and find that I was correct in what I told you about the procedure which appears now to be contemplated for ensuring the continued contribution by Manchuria to the service of the Chinese loans secured on the customs. As I understand it, the suggestion is that the Commissioners of Customs at Manchurian ports will continue to pay revenue into the local bank in the usual way. The structure of the customs administration will remain unchanged. It so happens that the revenue collected at Dairen (in the Japanese leased territory) is approximately equal to what would be the appropriate quota for Manchuria to pay for the service of the foreign loans. The Dairen revenue will continue to be remitted by the bank to Shanghai, but at all other ports in Manchuria, the Manchurian authorities will issue orders to the bank concerned (which is in every case a Chinese bank) not to obey any instructions the Commissioner may give with regard to remitting the revenue to Shanghai, but to remit the whole revenue to Mukden (or Changchun). The Chinese Government, I understand, intend under this arrangement to permit the customs houses in Manchuria to continue to function as usual, and, as I have said, there will be no breach in the structure of Chinese customs. There would result a diversion of a portion of the revenue, but no breach in the integrity of the customs administration. In this arrangement we believe the Nanking Government are prepared to acquiesce, largely as a result of the representations made to them by the Chinese banks which have branches all over China including Manchuria and which are naturally anxious to see maintained the integrity both of the customs administration and of the Chinese State. If a separate Manchurian customs system should be set up, this would be a break in the unity of the customs administration which is the firmest foundation on which to re-build China financially and which may well prove in the long run a powerful instrument for drawing China and Manchuria together again. It is these considerations, as you know, which have made us doubt whether what is happening in connection with the disposal of the proceeds of the customs constituted a good ground for alleging a breach of administrative integrity.

(2) Salt. On the other hand the news we have just received about the salt gabelle does indicate a very real threat to the integrity of its administration. Our information is as follows: The Manchurian authorities have appointed a Japanese, named O. Nakada, to take charge of the Manchurian salt gabelle. His first act appears to have been to close the district inspectorate at Newchwang and doubtless the other district inspectorates will be closed in due course. While the salt gabelle, for various reasons, is not so powerful a binding force

as the customs administration, yet the disruption of the salt gabelle and the establishment of a separate distinct salt gabelle in Manchuria is undoubtedly just such a breach of the administrative integrity of China as was contemplated in Article 1 of the Nine Power Treaty.

Now if I understand you rightly, you are not anxious that any representations you may think fit to make should necessarily be based on the integrity of the customs. It appears to me that the action of the Manchurian authorities in regard to the salt gabelle offers a far better ground for such representations. I am as anxious as you are that our Governments should act together if we possibly can and such consideration as I have so far been able to give the matter inclines me personally to think that we might well make joint or similar representations to the Japanese Government, whether by identic notes or otherwise, to show that we are not prepared to remain silent while a solemn international obligation is being violated. If therefore, you will let me know that you agree, I shall be happy to look very carefully into the possibility of making some such representations when I get back to London.

Yours very sincerely, JOHN SIMON

893.01 Manchuria/174 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

PEIPING, May 1, 1932—noon.
[Received May 1—1:46 a.m.]

489. Following from American Consul General at Harbin:

"April 30, 1 p.m.

1. Heilungkiang troops succeeded in withdrawing practically all Huhai Railway rolling stock north to Hailun. Traffic on that line has been suspended. Japanese troops are putting up defense works at Sungpu near Hulan terminus of railway.

2. Up to date, local authorities, inspired by Japanese have arrested over 100 alleged Communists. Soviet Consul General has vainly protested against these arrests, half of which, I am inclined to believe, are of a provocative nature. Japanese-inspired local press is stressing alleged exposure of communistic destructive plots and [*sic*] against the new state and the Japanese forces. It is possible that Japanese Government might protest to the Soviet Government that destruction of Japanese military train on April 13th was due to activity of Communists with headquarters at Habarovsk.

3. Conditions along eastern line of Chinese Eastern Railway are still deplorable, southern line bad, and western line liable to become bad.

4. Japanese military forces are being sent by steamer down Sungari River and more toward the east."

For the Minister:
PERKINS

793.94/5138 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, May 1, 1932—4 p.m.
[Received May 1—6:43 a.m.]

First Secretary of the Japanese Legation called on the British Minister this afternoon and gave us the following message from the Japanese Government:

"The Japanese Government desire to proceed with the negotiation of the agreement for the cessation of hostilities notwithstanding the Hongkew Park incident. But they reserve their liberty as to the measures which they may take as the result of the investigation into the incident".

Commenting upon it the Secretary said, confidentially, that he personally felt we need not take the second sentence too seriously. It had been added merely because rumors had been reported to Tokyo that the incident was due to investigation [*instigation?*] of 19th Route Army.

Your 261 [*161*], April 30, 3 p.m.[9] The representatives of the four participating powers will meet tomorrow noon.

JOHNSON

893.01 Manchuria/235

The Chairman of the Provincial Government of Heilungkiang (Ma Chan-shan) to the Chinese Delegation at Geneva[10]

[HEIHO,] April 14, 1932.

History records that the Manchus and the Chinese have been assimilated for the last five hundred years. During this period the Manchus and the Chinese have lived together in peace, their civilization, politics, customs, language and religion becoming identical. Therefore, although in 1911 the Chinese overthrew the Manchu Dynasty and instituted a republican regime in its stead, there has not been the slightest enmity between the Chinese and the Manchus; besides, the terminology used in designating the difference of the two peoples has disappeared even from the language. These facts are known commonly to all people who know anything about Chinese affairs and are not the opinion of an individual. It is clear, therefore, the expressions "Chinese" and "Manchu" are merely of historical significance and have no value *per se* in the relationships of the two peoples today in the sense that the Manchu is not a part of the Chinese people and Manchuria not a

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[9] See footnote 4, p. 734.

[10] Copy of telegram transmitted to the Department by the Chinese Chargé on May 2, 1932.

part of China. Yet the Japanese insist on capitalizing this historical difference in nomenclature and exploiting the same in order to alienate the different groups of the Chinese people and occupy our territory. It is astonishing to see in this 20th century that there are still such a disregard for international right and justice and such inhuman actions which cannot but disturb the peace of the Far East.

According to Article X of the Covenant of the League of Nations, the Members of the League undertake to respect and preserve as against external aggression the territorial integrity of all Members of the League. The provisions of the Nine Power Treaty signed in Washington guarantee to China her territorial and administrative integrity as well as the international policy known as the open door and equal opportunity relative to the Three Eastern Provinces. These are stumbling blocks to the Japanese in the way of their scheme to incorporate Manchuria as part of the Japanese Empire. To get around them the Japanese make use of the pretext of "self-determination" and the method of putting up a puppet government, at the head of which they placed Pu-yi, the deposed Manchu emperor, whom they kidnapped and smuggled into Manchuria from Tientsin, and partly by compulsion and partly by inducements they got hold of some of original officials of Manchuria to compose the personnel of the puppet government. It was reliably reported that Pu-yi, unwilling to be a traitor to his country, attempted many a time to end his life by taking poison during the journey to the scene where he was to be made head of the new government, but that his efforts were frustrated by his Japanese guards. The position in which he was must have been extremely difficult in that he sought consolation in death even in vain.

I, Ma Chan-san, was appointed by mandate of the National Government as Governor of the Provincial Government of Heilungkiang and concurrently Vice-commander-in-chief of the North-Eastern Defence Forces. In these capacities I was responsible for the defence of the border of the province of Heilungkiang. In the fulfilment of this duty I did not deviate the slightest from my responsibilities. But since September 18th last, after their military occupation of the provinces of Liaoning (Mukden) and Kirin, the Japanese endeavored to realize the malicious intention which they harboured to occupy the Heilungkiang Province as well. For this purpose they used the pretext of repairing the Nonni River Bridge to attack our army. To defend ourselves I personally directed our forces at the front and for two weeks returned fire for fire with the Japanese. Finally our ammunition having been exhausted, we had to withdraw to Hailun. The emissaries from the Japanese headquarters came many times to me, stating that the military and civilian authorities of the Liaoning (Mukden) and Kirin Provinces had already decided on organizing a

new government for the three provinces, that as soon as this new administration was set up, the Japanese forces would withdraw and that they had absolutely no intention to interfere in the internal politics of Manchuria. They also said that now only the province of Heilungkiang had not come into line. This might throw the whole territory into a state of uncertainty and danger. I was, therefore, requested that for the sake of peace and tranquility of the three Provinces I should return to the capital of Heilungkiang, whereby the administration of the province would be restored to me without conditions and that the Japanese forces would be withdrawn on my return.

At the same time, the Japanese also instigated some of their hirelings in Liaoning (Mukden) and Kirin to come to me to say that the new government was truly independent in character; I was, therefore, permitted to return to my capital to investigate for myself the new conditions that had developed by which I was to make my own decision.

After my return to the capital I found the Japanese had utterly broken faith with me and disregarded all codes of honor. Not only did not one Japanese soldier withdraw,—on the contrary, by using the pretext of a "United Three Provinces", they had set up a puppet government as a step forward to the realization of establishing a Japanese domination over Manchuria. Thus, my appointment as a "member of the political council", "the governor of Heilungkiang", the "minister of war", and what not followed one after the other in an illegal manner. I, Ma Chan-san, was able by the opportunity thus afforded me to detect the true character of the Japanese intrigues and to transmit to the information of the League, the symbol of world peace and international justice,—in truth, a fortunate circumstance in the midst of a series of unfortunate events.

I propose, therefore, to divulge for the information of the League and the world the important jottings in my diary during the last month for which I pray the indulgence of all who are interested.

February 16th. I reluctantly complied with the demand of the Japanese and went by aeroplane to Mukden to attend the conference there.

February 17th. I interviewed General Honjo and was told that the Japanese forces had completed the military occupation of the greater portions of Manchuria with the exception of only a small part, which was absolutely unable to stand out. I was, therefore, requested to cooperate with the Japanese. A conference was held in the residence of Mr. Tsao Hsin-peh in the evening. On this occasion I proposed that the illegal government which was given birth to by illegal means should be cancelled. This proposal was strongly opposed by the Japanese representative Sakakagi and the conference dispersed without having any concrete results.

February 18th. On the excuse of ill-health, I returned to Hailun by train. Later, according to the report of Mr. Tsao Tsung-jen, Chang Ching-hui was ordered by the Japanese military headquarters to organize a committee to prepare for the institution of the new government. Chang Ching-hui and Tsao Tsung-jen were instructed by the same authority to accompany twelve other illegal representatives from the three Provinces of Liaoning (Mukden), Kirin and Heilungkiang, whom the Japanese bought over, to go to Dairen to request Pu-yi to be the head of the illegal government. Pu-yi thrice refused to accept; but was finally prevailed [upon] on the insistence of the representatives.

March 8th. The Japanese insisted that I should go to Changchun. I had originally intended not to go on the excuse of ill-health, but for fear of being suspected I was obliged to make the trip to Changchun to welcome Pu-yi.

March 9th. Pu-yi was inaugurated head of the illegal government. All the ceremonies were conducted by and under the direction of the Japanese. The puppet was thus set up.

The most deplorable thing of all is that when General Honjo came to Changchun to supervise the inauguration of Pu-yi, he had previously given instructions that Pu-yi should go to the station to welcome him. It was only after repeated entreaty that some semblance of dignity might be maintained for Pu-yi, that Honjo eventually agreed that Cheng Hsiao-hsu, the "prime minister" of the puppet government, would meet the train to represent the whole government.

March 10th. The Japanese representatives Kikoyi and Sakakagi brought an order from the Japanese War Office instructing the convening of a "cabinet meeting", and at the same time announced the establishment of the "general affairs department" of the so-called Manchukuo government, which would be headed by a Japanese to take control of the actual power of the various ministries; for without the signature and seal of the chief of this department, no order could be executed.

March 11th. Colonel Sakakagi and Kikoyi, the Japanese chief of the "general affairs department", declared at the "cabinet meeting" of the puppet government that it was the intention of the Japanese Government to appoint a number of Japanese assistants to the various departments of the Manchukuo and in the provincial governments. The number had been reduced to the minimum and they decided to appoint to the new government at Changchun between one and two hundred Japanese. At the same meeting, they also declared that all Japanese residents in Manchuria would *ipso facto* become citizens of the new state enjoying all public rights as the Manchus. As to whether these Japanese should renounce their Japanese nationality, they would have perfect discretion in the matter and nobody could interfere. It was then decided to appoint a number of Japanese to the positions of the "general affairs departmental heads" and police chiefs in the provincial governments to take control of the actual executive power of these provincial governments. Without their signatures and seals, no order could become effective. It was also decided that the appointment of such officials in the Heilungkiang Province should be delayed for three months.

March 16th. General Honjo arrived at Tsitsihar and inspected Tashin and other places. During the tour he declared: (1) The whole Japanese nation was determined to retain Manchuria at any cost; (2) The Japanese troops would be responsible for the putting down of every opposition against the new government; (3) Japan would not hesitate to declare war upon any third state that tried to interfere; and (4) The new government might progressively carry out its policies, provided such policies had been previously approved by the Japanese military authorities and the "special organs" on the spot.

Again, the so-called "Cabinet" decided the following: (1) All government land that had been released and owned by officials and militarists should be confiscated. Should any private individual own too much land, the government would repurchase half of such land at a fixed price. The land that had not been released should be owned by the state and be given to the Japanese immigrants. (2) The Hulan-Hailuen Railway is the most important line for transporting food-stuffs in the Province of Heilungkiang, but the Japanese had compelled Chang Ching-hui to sign an agreement, whereby the line would be mortgaged to the Japanese for a period of fifty years at 3,000,000 dollars—one-tenth of its actual value. This arrangement amounts to perpetual occupation of the railway. Fearing that I would not recognize this agreement, the Japanese persuaded me to add my signature. This I emphatically refused. Recently, the Japanese have been approaching the "ministry of communications" of the puppet government with a view to arriving at some satisfactory result. (3) The Japanese are making plans for the establishment of a Manchukuo State Bank after the model of the Bank of Chosen, having as their object the financial control of Manchuria and the destruction of the economic power of the Chinese people. (4) We witness today in Manchuria the breaking up of our educational institutions and the invasion of Japanese culture. They have turned all our educational buildings into military barracks; they are deleting from the Chinese textbooks every national sentiment and replacing them with pro-Japanese sentiments. In short, they are making every attempt to destroy all our racial and national feelings.

Again, Toshihara [*Dohihara*], the Japanese head of the "special organ" at Harbin, and Brigade-General Suzuki once declared that since Japan had taken Manchuria, and as soon as she had sufficient funds, she would proceed to make military preparations against Soviet Russia in the north, the United States of America in the east, and then against the others. The above is an account of the actual experiences which I have personally gone through and of the things which I have witnessed.

In the Provinces of Liaoning (Mukden) and Kirin, there are two

Japanese in each district which are in charge of the "general affairs" of that district. No measure can be carried out without their approval. Throughout Manchuria, every newspaper organ, every telegraph or telephone office is controlled by some Japanese at the back of it. Therefore, there is no public opinion apart from carrying out the biddings of the Japanese.

In view of the approaching visit of the League Commission of Enquiry, the Japanese authorities have warned the intellectual elements of the community that should anybody express views contrary to the interest of Japan, he will be promptly dealt with without leniency. The Japanese raided during the night the homes of a number of people who were known to be unfavourable to the Japanese. These people were arrested and murdered, and their families were warned to keep strict secrecy with the penalty that they would otherwise be visited by similar fate. Yen Ting-juan, Chang Kwai-en and others were among those who have been done away in this way.

With reference to the reported celebration on the inauguration of the new "State" by the people, it was all false and engineered by the Japanese. Recently, the Japanese have bought up a number of loafers, whose job is to praise the good government of the new regime. All these facts have been carefully gathered by me. Knowing that the League Commission will soon arrive at Manchuria, I, out of an earnest desire to save my country, decided to run the supreme risk by coming to Heiho, despite the strict Japanese military watch at Tsitsihar to assume charge of the Heilungkiang Provincial Administration. Here I am carrying on the administration in accordance with the wishes of the Central Government (at Loyang). I hereby give the most complete and recent account of the organization of the pseudo-Manchukuo, so that the League of Nations and the world may know the real conditions here, and I will most emphatically swear to this statement that there is not a single Chinese here in Manchuria, who is willing to be separated from his own country and to live under foreign rule. Even those who are now occupying positions under the pseudo-government are under the strict watch of the Japanese military authorities and have lost their personal freedom. I would request the League Commission to pay special attention to this point, and make detailed inquiry, with a view to making a truthful report, so that there may be a real guarantee to the future peace of the world, which will be a great service to mankind.

In addition, it must be pointed out that last summer when the terrible massacre of Chinese occurred in Korea, some hundreds of Chinese were done to death and millions of dollars worth of their property were destroyed by Japanese subjects. Even under such serious provocation the Chinese Government did not send a single soldier to Korea.

During recent years Japanese nationals residing in China have not experienced any danger, and yet the Japanese Government used the pretext of protecting the life and property of its nationals definitely invaded and occupied the Three Eastern Provinces and attacked the port and neighbouring districts of Shanghai. When these two cases are brought up for comparison, thinking and impartial peoples of the world will have no difficulty in judging their merits.

Moreover, Japanese nationals are scattered all over the world; if the Japanese Government is also allowed to use such pretexts by sending troops to invade the countries where their nationals happen to be residing, then I tremble for the prospects of the peace of the world.

I beg, therefore, to invite the kind and careful attention of the friendly nations to the facts I have stated in this message.

MA CHAN-SAN

793.94/5144 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, May 3, 1932—noon.
[Received May 3—3 a.m.]

Quo Tai-chi, chief delegate on Chinese side assaulted by Chinese student at his house at about 9 : 30 this morning. Slightly wounded on forehead. It is not believed that his condition is such as to delay proceedings.

JOHNSON

793.94 Commission/237

The Consul General at Mukden (Myers) to the Acting Secretary of State

No. 464

MUKDEN, [May 3, 1932.]
[Received June 6.]

SIR: I have the honor to report that the League of Nations Commission of Inquiry arrived at Mukden on the evening of April 21, 1932, the American and Italian Commissioners and some members of the staff of the Commission by rail from Shanhaikwan and the British, French and German Commissioners and the remaining members of the Commission, including the Japanese and Chinese assessors, by train from Dairen. The Commission was met at the station by the Japanese Chief of Staff and other staff officers, the entire consular corps, Mayor Yen Chuan-fu of Mukden, officials of the South Manchuria Railway, a group of Japanese women and one of Japanese children, a delegation

from the Chinese Chamber of Commerce, press correspondents, photographers and a few foreigners. Acting Consul General Morishima, Mayor Yen and Major-General Hashimoto, Chief of Staff, officially greeted the Commissioners and introduced them to the Consuls and some others on the platform, after which they were escorted to the Yamato Hotel where they were presented with bouquets by little Japanese girls in gay colored kimonos. The two trains, it may be added, arrived twenty-five minutes apart.

The objections of the Manchoukuo regime to Dr. Wellington Koo, the Chinese Assessor, accompanying the Commission to Manchuria were given much press publicity and therefore only need be briefly referred to here. Finally, the Japanese Government guaranteed his protection while in the railway zone and he and his staff accompanied the Commissioners who travelled via Dairen. Reports in the press under date line of Changchun, April 22, stated that the Manchoukuo Government had decided to arrest Dr. Koo and other Chinese accompanying the Commission should they leave the railway zone and set foot on Manchoukuo soil, threatening the imposition of extreme penalties for their infringing the sovereign rights of Manchoukuo and disturbing peace and order. Both the Japanese and Manchoukuo police worked in perfect accord to prevent any members of the Chinese delegation leaving the railway settlement at Mukden, their secret service men keeping the members under close surveillance all the time. In fact, not only were they unable to leave the railway settlement but all Chinese except those who obtained permission from the Japanese were unable to see the Chinese assessor or members of his staff. Several Chinese who happened to meet members of his staff were arrested by the Japanese police—one by the Chinese police under Japanese orders, it is claimed,—and at least two of them were still being held yesterday. It is apparent that the Manchoukuo order, referred to above, was inspired not only by a desire to protect the Chinese assessor and his staff but also and primarily to prevent their getting in touch with local Chinese officials and others. According to reliable information precautions were taken to prevent any but fully approved representations being presented by the local population to the Commission, whose members also were duly protected by a secret service man attached to each motor car. The sequel to the threatened dire penalties on Dr. Koo was a message from General Honjo, delivered by the Japanese Chief of Staff on April 28 or 29 to the Commission, to the effect that Dr. Koo with a reduced staff (six members or the same number that the Japanese had in China) may accompany the Commission, no reference being made to any authorization having been received from Manchou-

kuo.[11] Accordingly Dr. Koo and his reduced staff left Mukden yesterday with the Commission and will accompany it throughout the tour. In this connection it may be mentioned that barriers were placed at the various points of exit from the Railway Settlement, and the Police guard at these points which included, I am reliably informed, Japanese plain clothes men were reinforced for the purpose of making a close inspection of all Chinese entering and leaving that area.

An unimportant instance of this constant surveillance to which all members of the Commission were subjected occurred on May 1st. After luncheon at the consulate, General McCoy instructed his motor car to return to the hotel as he would accompany me to the golf course where it was obvious from our dress we were going. His chauffeur who was accompanied by an English-speaking secret service man followed us to the golf club and when we left the General handed him his clubs to give to the hotel office with the statement that he would return with me. We then drove through the city and out to the arsenal and aviation field, his car with the secret service man on our heels all the time. The Yamato and Oriental Hotels, the latter was occupied only by part of the Chinese assessor's staff, were filled with secret service men, at least several trunks were searched and rooms were frequently entered surreptitiously. The trunk of one member of the League staff was opened at least twice. Outside Dr. Wellington Koo's room three secret service men were on duty all the time. This spying was quite obvious and was crudely done. Naturally it made a bad impression.

Some evidence of the preparations, obviously extensive, which were made by the Japanese for the coming of the Commission may be of interest. Statements from the Mukden Chamber of Commerce and Labor Association (a joint one), the Agricultural Association and a delegation of Korean farmers, in which the old regime was denounced, were presented to the Commission. That these were prepared under the direction of the Japanese there can be no doubt. The arrests mentioned above confirm reports heard before the arrival of the Commission that warnings were given to various leading Chinese to make no attempt to get in touch with the Commission, threats of arrest and the closing of their business having been made. It was learned among other things that on April 16 the Chamber of Commerce, acting under orders, was securing the "chops" of the principal shops on blank pieces of paper, the purpose of which was not made known to the merchants but was thought to relate to a statement to be submitted to the Commission (its submission has not been reported). However, the personal danger which confronts Chinese who oppose in any manner the new

[11] Restrictions on Dr. Koo's "entry into Manchukuo territory" were removed a few days later.

regime has not deterred many from writing personal and group letters to the Commission through the various consulates. Most of these communications are unsigned but others are signed. Approximately 600 such letters were sent through this office and over 200 through the British consulate.

Among the minor preparations may be mentioned the removal of sand bags in front of police boxes and other official establishments on some of the main thoroughfares, the repair of streets, the removal of anti-League posters and other propaganda material which were put up during some of the staged demonstrations—the wall of the Japanese consular compound was recently washed ostensibly for this purpose—and the taking from the local police force the arm bands bearing the seal of the Japanese gendarmery which had been worn up to a few days prior to the arrival of the Commission. Posters bearing the legends in English "Welcome Envoys of Peace" with a picture of a dove holding an olive branch, "Dawn from the East Peace from Geneva", "Cooperate to make Manchoukuo the Geneva of the East" were put up in the Japanese Settlement and to a lesser extent in the Chinese area.

The formal inquiries of the Commission were confined during this visit to a call on and interview with the Acting Japanese Consul General on April 23 and to six conferences with Lieutenant-General Honjo, Commander-in-Chief of the Kwantung Army, at Army Headquarters. No calls were exchanged with any members of the local government. During these conferences, it is understood, the official version of the railway incident on the night of September 18, 1931, and of the subsequent extension of the military occupation to the principal centers of Manchuria was expounded, all being explained as the exercise of the right of self-defence. Too, the system of political control at Mukden which was perforce set up as a result of the disappearance of the Chinese officials and police following the incident of September 18th as well as the recent discontinuance of this system with the abolition of the adviserships was explained. However, it may be interposed that these self-same advisers now occupy key positions in the government and control it as effectively as heretofore. As of possible interest, the brief news items in regard to the Commission's conferences with General Honjo which were published in the *Manchuria Daily News* are enclosed herewith.[12]

The Japanese had prepared a tentative program for the Commission which included a round of dinners. No official invitations were accepted and the program was modified to meet its wishes. Its independence, it is believed, could not but have occasioned some disappointment on the part of the Japanese.

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[12] Not reprinted.

This office has endeavored to be of assistance in every way possible to General McCoy, the American Commissioner, and it is believed that he found the summary forwarded with my despatch No. 462 of April 18, 1932, helpful. I had several conferences with him and more frequent ones with Dr. Blakeslee who is associated with him. The General and other Americans on the Commission were entertained several times at the Consulate and were introduced to the members of the American community at an informal reception.

The Commission left Mukden at 9:50 a.m. yesterday by special train for Changchun where they expect to spend two days. On May 5th the Commission will visit Kirin and proceed to Harbin on the following day. According to present plans the Commission will be back in Mukden about May 16 for another visit of about one week's duration.

Yours respectfully, M. S. MYERS

793.94/5149 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, May 4, 1932—2 a.m.
[Received (May 3)—4:12 p.m.]

My May 1, 4 p.m.

1. This evening late, Okazaki, Secretary of Japanese Legation came to Sir Miles to say that the Japanese delegation had received instructions to make a statement in following terms at moment of signing of agreement:

"The Chinese delegate states in his note addressed to the representatives of the participating friendly powers that the Chinese side reserve the right to despatch troops when necessary for the maintenance of order. I understand that such despatch of troops is to be carried on after the approval of the Joint Commission will have been obtained. It is desired that this understanding be placed on record in the minutes."

2. Okazaki asked Sir Miles whether he thought this statement would be acceptable to the Chinese Government. Sir Miles stated that he thought it would blow up the whole arrangement as such had not been the understanding.

3. Sir Miles offered the following as an alternative for the last two sent[ences]:

"In the event of any such troop movement, as contemplated above, appearing to the Japanese side as having hostile intentions, the Japanese authorities understand that they have the right to call attention of the representatives of the participating friendly powers members of the Joint Commission thereto under article 1."

4. Sir Miles has repeated all of the above to the British Ambassador in Tokyo asking him to go to Japanese Minister for Foreign Affairs and try to persuade him to have proposal dropped and his alternative used, if any.

5. I hope that the Department can find it possible to instruct Tokyo to ask British Ambassador to show it his telegram from Lampson and to join British Ambassador in representations at the Foreign Office.

Repeated to Tokyo. JOHNSON

793.94/5149 : Telegram

The Acting Secretary of State to the Chargé in Japan (Neville)

WASHINGTON, May 3, 1932—9 p.m.

99. Reference Johnson's telegram, Shanghai, May 4, [2 a.m.,] repeated to you, regarding statement by Okazaki to Lampson and regarding Lampson's communication to British Ambassador, Tokyo.

You are authorized to confer with British Ambassador and, in case he and you feel that useful purpose would be served by your doing so, to cooperate in appropriate representations to Japanese Minister for Foreign Affairs.

Inform Johnson and Department of action taken.

CASTLE

793.94/5152 : Telegram

The Chargé in Japan (Neville) to the Acting Secretary of State

TOKYO, May 4, 1932—6 p.m.
[Received May 4—9:25 a.m.]

122. Department's 99, May 3, 9 p. m. The Minister for Foreign Affairs informed the British Ambassador that the instructions to the Japanese delegates have been changed and that the statement would not be made. In view of this development I have not approached the Foreign Office.

The Minister said further to the British Ambassador that the Army was insisting upon a communication to the neutral delegates to the effect that the Japanese attach importance to the disposition and movements of Chinese troops in certain areas and particularly to a statement in this regard made by the Chinese in a committee meeting. I am unable to estimate the importance of this proposed communication [on the?] Chinese which is not for publication.

Repeated to Shanghai.

NEVILLE

793.94/5157 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, May 5, 1932—1 p.m.
[Received May 5—3:25 a.m.]

1. Agreement signed at 12 noon today.[13] I propose to leave for Nanking early Saturday morning[14] by boat. I shall remain at Nanking 3 or 4 days with my staff.

2. British Minister leaves same day by air proceeding to Peiping.

3. Joint committee has been constituted as follows:

The Consuls General and Military Attachés of the United States, Great Britain and France, and the Chinese Secretary and Military Attaché of the Italian Legation. Japanese Consul General and Acting Military Attaché. Chinese members not yet announced.[15]

JOHNSON

793.94/5161 : Telegram

The Minister in China (Johnson) to the Acting Secretary of State

SHANGHAI, May 5, 1932—9 p.m.
[Received May 5—1:20 p.m.]

1. Incident on Settlement border between Japanese marines and International Settlement police involving 31st Infantry illustrates danger inherent in the present situation. Commander in chief has informed Defense Committee that he perceives no further occasion for continuance of state of emergency which is now being used simply to keep Japanese out of Settlement and that American forces are not here for that purpose. I approve of his action.

2. Commander in chief informed me that he is now informed that emergency will probably be lifted tomorrow.

3. In view of this fact and the fact that Sino-Japanese agreement has been signed and that Japanese evacuation will begin tomorrow, May 6th, I recommend that reconsideration be given to the matter of the retention of the 31st here at Shanghai and that that regiment be taken away. The British have already reduced their forces by a

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[13] For text of agreement, see *Foreign Relations*, Japan, 1931–1941, vol. I, p. 217.
[14] May 7.
[15] Telegram No. 226, May 7, noon, from the Consul General at Shanghai reported that the Chinese members were O. K. Yui, Secretary-General, Shanghai Chinese Municipality, and Wen Ying-hsing, Commissioner of Public Safety. (793.94/5170)

battalion. Commander in chief approves. Copy to commander in chief and Consul General [at] Shanghai.

JOHNSON

493.11 Shanghai/26 : Telegram

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

WASHINGTON, May 5, 1932—6 p.m.

169. For the Minister. With reference to paragraph 5 of your April 27, 1 p.m., Department offers the following comments:

1. In regard to the question of the merits of particular cases see Department's 95 of March 12, 8 p.m., to Shanghai.

2. In regard to the question of procedure to be followed in handling particular cases see Department's 153 of April 25, 5 p.m., to Shanghai.

3. In the presentation of claims to the Japanese or Chinese authorities, or both, it probably would be advisable to err on the side of presenting some doubtful claims rather than on the side of withholding any possibly good claims and there would appear to be no serious objection to presenting to the authorities of both Governments claims in which the question is in doubt as to which Government caused the wrong.

4. Department fears that many of the claims may present difficult questions of law and may be resisted by both Governments. It is therefore highly desirable that claims be prepared as indicated in Department's 95 of March 12, 2 p.m., and in duplicate, one copy with original or certified evidence to be sent to the Department in order that if necessary the claims may be carefully studied collectively before the formation of a definite general policy with reference to the action necessary to effect a settlement of claims not adjusted locally.

5. If possible please advise substance of instructions received by your British colleague in regard to presentation of British claims.

6. Department desires that as soon as practicable Cunningham submit to the Department a brief report giving the approximate number of American claims, the types of such claims, the dates upon which such claims arose, the amounts involved and the action taken in reference thereto.

CASTLE

[Correspondence on the Far Eastern Crisis is continued in volume IV.]

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