

Treaties: Commercial: U.S. & Japan

1302/12/39

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BRITISH EMBASSY,
Washington, D. C.

August 8th, 1939.

AE. base
No. 875

My Lord,

In continuation of my telegram No. 335 of the 28th July, I have the honour to report that the press has in general applauded the Administration's action in denouncing the United States-Japanese Commercial Treaty of 1911. There are, however, a few exceptions.

2. The New York Hearst newspaper calls the denunciation "a reckless deed" for which none can doubt that Japan will take reprisals. It will, says the editorial, hardly serve the interests of the United States at all, but will "monumentally" serve those of China, England and Russia. "England's chestnuts were never pulled out of any fire with greater timeliness. The United States has never played more completely into English hands". As His Majesty's Consul General in San Francisco remarks in reporting that the local Hearst press has taken a similar line, the Hearst press seems now "prepared to go to all lengths in condoning Japanese misbehaviour so long as the interests of isolationism are thereby served." The New York "Journal of Commerce" also shows some misgivings as regards the commercial effect of a step taken chiefly for political reasons. It points out that any step which jeopardises the extensive United States-Japanese

commerce/

The Right Honourable

The Viscount Halifax, K. G.,

etc., etc., etc.

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commerce in raw materials must work great economic injury to both countries although Japan will suffer most. It notes with approval Mr. Hull's statement that discussions for a new trade treaty may be inaugurated shortly if conditions are propitious, and it hopes that every effort will be made to avoid piling up new obstacles to commerce. The "Chicago Tribune", usually so hostile to Mr. Roosevelt, found its guns rather spiked on this occasion by the fact that denunciation of the treaty had first been proposed by the Republican Senator Vandenberg. It still, however, managed to hint that the President's object is not so much to protect American rights in China as to threaten war in the interest of some other nation.

3. Apart from these dissentient voices there is remarkable unanimity in press comment from all parts of the country. The burden of comment is that whatever Great Britain may find it advisable or necessary to concede to Japanese demands, the United States has made up its mind that it will stand up for American rights in the Far East. Such a deduction appears to be influenced by a belief or hope that the Administration intends in six months' time, if necessary, to put an embargo on the export of war materials to Japan or at the very least to use tariffs as a weapon against Japanese trade. The left-wing "Nation" believes the Administration should be encouraged, by public approval, to embargo the export of war-materials to Japan and prohibit the import of Japanese goods into the United States. The intellectualist left-wing "New Republic" though it welcomes the

denunciation/

denunciation as a step long overdue, thinks Mr. Roosevelt will find himself under heavy attack if he goes as far even as embargoing the export of war-materials as proposed by Senator Pittman. This aspect of the matter also leads His Majesty's Consul General at San Francisco to say in the report from which I have already quoted: "The still small voice of self interest (not unprompted by Japanese influence) is, however, already making itself audible. Will the Pacific Coast already beset by economic difficulties, be content to jeopardise trade connections with a most important customer to maintain an ideal or redress the wrongs of a few American missionaries? It is predicted that, as the six months pass before the Treaty lapses, arguments against converting a threat into action may present themselves in a fiercer light".

4. According to the press of August 7th, Senator Key Pittman, Chairman of the Senate Foreign Relations Committee, has predicted that unless the attitude of Japan towards American citizens in China changed materially for the better Congress would authorize "retaliatory measures" at its next session. He hoped, however, that the Government of Japan would be actuated by calmer reasoning and, by respecting the rights of American citizens, would remove a stumbling block towards the restoration of the high degree of friendship that had so long existed between the two countries. He added, however, that the actions of the United States Government indicated quite clearly "that the American Government does not intend to recognise any new order in China".

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5. I am sending copies of this despatch to
His Majesty's Ambassadors at Tokyo and Shanghai.

I have the honour to be,

With the highest respect,

My Lord,

Your Lordship's most obedient,

humble servant,

(For the Ambassador)

(SGD) V.A.L. MALLAT