BRITISH BUBASSY, WASHINGTON, D. C. November 20th, 1959

No. 1312

My Lord,

At his press conference on the 17th November the Acting Secretary of State, Mr. Summer Welles, made what has been reported as a reaffirmation of American rights in China. His remarks are said to have been by way of a rejoinder to the statement attributed to Mr. Yakichiro Suma, Japanese Foreign Office spokesman at Shanghai the previous day, that the United States Government in official communications to Tokyo had admitted that America was not blind to new realities in East Asia. Mr. Welles appears to have pointed out that the position of the United States in regard to developments in East Asia varies in no way today from that enunciated in successive communications to the Japanese Government, notably of the 29th April, 1954, the 6th October 1938 and the 31st December 1938 724/13/34 (see my predecessor's despatches respectively Nos. 565 Tou 1 38 of the 11th May 1934, 952 of the 31st October 1938, and 6 of the 3rd January 1939). Mr. Welles' reaffirmation, while held to imply no interference with the discussions which Mr. Grew has been conducting at Tokyo, is interpreted however as signifying that the United States Government does not contemplate any surrender to the Japanese at a time when Great Britain may be preparing the way for a partial retreat from her own position in

The Right Honourable

The Viscount Halifax, H. G., etc., etc. etc.,

CB:CL MOEX

China.

2 South

China. On the other hand there is no disposition to believe either that, with Great Britain involved in war in Europe, the United States contemplate the avowed protection of British interests in the Far East except to the extent that the maintenance of her own position there, and Mr. Hull's statement to the Japanese Ambassador that if Japan's "friendly advice" to France and Great Britain to withdraw from Eastern Asia were accepted or enforced, it would produce great difficulties for Japanese-American relations, is of obvious advantage to ourselves. Nor is there any disposition to believe that President Roosevelt will follow the lead of Senator Key Pittman (see Mr. Mallet's despatch No. 29 of the 10th January last) and invite Congress to vote an economic embargo against Japan if relations are still unsatisfactory next January when the now denounced United States-Japanese commercial treaty of 1911 expires, though he might impose the 10% surtax against Japanese goods, similar to that already imposed against German goods, on the ground that it was discriminating in Manchuria and elsewhere against American trade.

15/9/39

2. I am sending copies of this despatch to His Majesty's Ambassadors at Tokio and Shanghai and to the High Commissioner for the United Kingdom in Ottawa.

I have the honour to be, with the highest respect, My Lord,

Your Lordship's most obedient, humble servant,

(SGD) LOTHIAN