



DEPARTMENT OF STATE
WASHINGTON
December 14, 1939



Excellency:

I have the honor to acknowledge the receipt of

-// Your Excellency's note, no. 471, of November 9, 1939,
in regard to certain provisions of the Neutrality Act
of 1939 and to the President's Proclamation of Novem-
ber 4, issued pursuant to the terms of Section 3 of
that act, in which you inform me that your Government

feels obliged formally to reserve its rights in the

matter of the exercise of belligerent activities in

respect to United States vessels in the manner indi-

cated in your note of September 10, 1939. (61/67)

It was suggested in that note that neutral ves-

sels en route to certain countries should voluntarily

call at one of the several "contraband control" bases

designated

His Excellency

The Right Honorable

The Marquess of Lothian,
British Ambassador.

*Under Second:
Could we not say
that the Treasury
is designed to
draft attached.*

*Thought to be
written on board
Sutton who has
now left.*

*Bring the US
ships into a
combat
area - it was
the requirement
of the N. Act.*

*line that all
cargo should
be manifested
which prompted
the release of
16-13*

designated by your Government in order that the examination of their cargoes might be facilitated, by examination in port rather than on the high seas. Since, pursuant to the Act of Congress approved November 4, 1939, and the President's Proclamation of the same date, it becomes illegal for American vessels to enter the so-called combat zone about the British Isles and the Northern coast of Europe, they are thereby precluded from voluntarily entering the "contraband control" bases within the combat zone, and Your Excellency's note is understood as undertaking to reserve a right of your Government to divert American vessels to such bases, by force if necessary, acting, in that respect, without regard to the municipal law of the United States or the rights, obligations, and liabilities of American vessels under that law.

In this connection I am impelled to bring to the attention of Your Excellency's Government the following considerations which I conceive to be of such importance

as to merit most careful notice.

First. Since, under the Neutrality Act, it is illegal for American vessels to carry cargo to belligerent ports in Europe and Northern Africa, such vessels will, of necessity, be carrying only such cargo as is shipped from one neutral country to another. Such cargo is entitled to the presumption of innocent character, in the absence of substantial evidence justifying a suspicion to the contrary.

Second. It is my understanding that the American steamship companies operating vessels to European destinations, putting aside certain of their rights under accepted principles of international law, have voluntarily indicated a willingness to cooperate with the British authorities in every practicable manner intended best to serve the mutual interests of themselves and the British Government in those circumstances in which the respective rights of the two parties might be regarded by them as in some respects in conflict. It is my belief

that

that such a spirit of liberality on the part of American shipping interests should be met by a corresponding degree of accommodation and flexibility on the part of the British Government, and that such mutual deferences should avoid giving rise to any occasion for the forcible diversion of such American vessels to those belligerent ports which they are by the law of the United States prohibited from entering.

In view of these considerations, it is difficult for my Government to foresee, as a practical matter, any occasion necessitating the entry of American vessels into belligerent ports. If, despite these considerations the British authorities should feel it necessary to compel any American vessel to enter the combat area or any of those belligerent ports which by the provisions of the neutrality law they are prohibited from entering, the Government of the United States will feel it necessary to examine carefully into all of the facts of the case and to take such further action as

the

the results of such examination appear to make necessary or expedient. Meanwhile, I feel that I should inform Your Excellency that this Government, for itself and its nationals, reserves all its and their rights in the matter and that it will be expected that compensation for losses and injuries resulting from the infraction of such rights will be made as a matter of course.

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

Condece Hue