

Thailand 76, 243/41

August 2nd, 1941

My dear Welles,

As I told you at our conversation this morning His Majesty's Government have observed a large number of signs recently that Japan may attempt to extend her present policy to Thailand, and that this development is imminent. The Japanese Minister for Foreign Affairs and the Japanese Press are both beginning to advance reasons for action in Thailand; for instance the Minister for Foreign Affairs, in conversation with Sir R. Craigie, justified Japan's action in Indo-China by references to the increase in British strength in Malaya, and a Domei message from Bangkok has reported an extraordinary meeting of the Thai Government to consider counter messages against British and American encirclement and the aggressive tendencies of Chungking. Furthermore it is clear that the new air bases in Indo-China have been sited with an eye to Thailand

The Honourable
Sumner Welles,
Acting Secretary of State of the United States,
Washington, D.C.

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and Malaya.

The Thai Prime Minister told Sir J. Crosby on July 29th that he feared increasing pressure from Japan in order to extract from Thailand economic concessions similar to those which she had obtained in Indo-China. From a secret source we have learnt that in the third week of July the Japanese Minister presented five demands to the Thai Government:

1. Thailand to sign no Treaty with any third party which might possibly harm the "East Asiatic prosperity sphere".
2. Recognition of Manchokuo.
3. Cessation of relations with Russia.
4. Military cooperation including an exchange of specialists and the formation of a joint military advisory organization.
5. Recognition of French Indo-China as part of the "safety area of the prosperity sphere", to be as such protected

by Thais and Japanese troops. The sea port of Annam and Cambodia to be under Japanese protection.

In return Japan would ensure that certain parts of French Indo-China should come under Thai "protection" (it appears that this will be the province of Laos, and Angkor but not the rest of Cambodia), and would also assist Thailand with supplies and technical help.

The Thai Deputy Minister for Foreign Affairs has denied that any such proposals have been made, but they may have been communicated direct to the Prime Minister who, so I understand, has a habit of keeping such proposals from his colleagues on occasions.

His Majesty's Government feel that the information summarised above points to the imminence of a Japanese attempt to bring Thailand within her orbit in the same way as Indo-China, and they feel that this makes it necessary to discuss with the United States at once the possibility of issuing some warning to Japan. The key to the situation is,

they judge, Japan's fear of the United States, and nothing is likely to deter the Japanese or encourage the Thais so much as a warning from that quarter. His Majesty's Government fully appreciate the difficulties which may preclude United States Government from making any specific threat or committing themselves to any particular form of action. If however the United States were prepared to issue a warning, either publicly or through the diplomatic channel, going as far as possible to indicate that any further Japanese penetration into Thailand or elsewhere would lead to counter action on the part of United States, His Majesty's Government in the United Kingdom would be prepared to take parallel action; and while they cannot speak for the Dominion Governments or the Netherlands Government they have no doubt that the attitude of those Governments would be the same.

His Majesty's Government suggested that the United States Government might wish to consider action on the lines of the President's proposal to the Japanese Ambassador in regard

to Indo-China, and you told me this morning
that the President was already taking action
on these lines.

(SGD) HALIFAX

— P.S. I enclose a copy of a telegram
from Bangkok which has been received
since the above was written.