

SECRET

SECRET

with: C204/42/41

seen RC

1. The Japanese Ambassador asked rather mysteriously this morning for an interview with me, and came to see me this afternoon.

He began by recalling a conversation that we had had when he had first arrived in Washington as to the desirability of maintaining peace in the Pacific. Since then, as I knew, he had for some time been talking with Mr. Hull, and from these talks three principal points of difficulty had emerged.

2. The first point concerned the Tri-Partite Pact. The Ambassador did not develop this in detail beyond saying that the United States Government wished for some more precise definition of the Japanese attitude than they had hitherto felt able to give, but he thought that the United States Government understood the Japanese position pretty well.

The second point concerned non-discrimination and equality of treatment in economic matters. These he thought could be adjusted.

The third point, which was the only one on which he anticipated serious difficulty, concerned the admission of a right for Japan, secured by agreement with China, to station troops for an agreed period, in North China and Inner Mongolia to control the Communist armies there.

3. So far no solution had emerged in his conversations with Mr. Hull on this third point.

The resignation of the Japanese Cabinet was due to internal differences between on the one hand the Prime Minister and those who wished to reach agreement with the United States by not insisting on the third point mentioned above, and on the

other /

6. At one point in our talk the Ambassador remarked that some Americans spoke of finishing off the Japanese Navy in a few days. But the Japanese Navy was well trained, and, as I knew never surrendered, and he thought it could be relied upon to give a good account of itself.

I disclaimed any desire to appraise the relative merits of Navies, and told him that British policy had been repeatedly defined. I could define it for him again by repeating that we were anxious to find the way to friendly relations with Japan, but we could not hope to resume those friendly relations so long as Japanese policy retained the direction it had recently followed.

I asked him whether Mr. Shigemitsu might be expected shortly to return to London. As to this, he was without information, but he knew that Mr. Shigemitsu was in frequent conference at the Japanese Foreign Office.

I also asked him whether he had any opinion as to what might be General Chiang Kai Shek's view of his third point as to temporary occupation by Japanese troops of an area in North China by agreement with the Chinese Government.

He said he had not, but he had an impression that though the Chinese army were not now very keen on fighting, Chinese diplomacy was extremely shrewd, and vastly better than that of Japan.

7. The whole conversation was very friendly, and left on my mind the clear impression that the Japanese Government, or certainly that part of it for which Admiral Nomura can be held to speak, felt their position to be one of extreme difficulty.

16th October, 1941

H.