In view of Mr. Welles' report that Mr. Hull feels he has received insufficient support from H.M.G. in regard to his proposals for a modus vivendi, it may be as well to recapitulate the history of our knowledge of the American talks with the Japanese.

2. It was on November 18th that we were first brought into the picture. On that day Mr. Hull sent for Sir Ronald Campbell and told him of a proposal by Mr. Kurusu that the Japanese should withdraw from Indo China in return for a moderate relaxation of the embargo. (Washington No. 575)

3. The F.O. responded to this on November 21st, saying that they thought that if this was a genuine offer it would be well to respond, provided this could be done in such a way that there was no semblance of abandoning China. (Washington No. 6355)

4. The next day Mr. Hull sent for H.E. and the Chinese Ambassador and the Dutch and Australian Ministers and told them of Mr. Kurusu's 5-point proposal. On this occasion he gave a rough sketch of his counter proposals and asked for comments and suggestions from the other Governments. H.E. told Mr. Hull that on the basis of the F.O.'s previous telegram he thought it was safe to say that H.M.G. would be willing to consider an arrangement on the lines suggested. (Washington 62. No. 5579)

5. On November 21st Mr. Hull again sent for the Heads of Missions and produced the modus vivendi. H.E. on that occasion raised certain points of detail in regard to it, and said that he hoped it would be possible to wait until H.M.G. had expressed their views before giving it to the Japanese; but he added that if Mr. Hull felt bound to go ahead we should trust his discretion and that he could count on our full support. (Washington 62. No. 5575)

6. On returning to the Embassy that night, H.E. found that the F.O.'s comments on Mr. Hull's originally suggested counter-proposals (see paragraph 4 above) had just come in. These said that H.M.G. had complete confidence in Mr. Hull's handling of the negotiations and felt that he was in the best position to judge whether to proceed with counter proposals or to reject the Japanese proposals out of hand. The instructions went on to make certain suggestions in regard to the counter proposals; these suggestions were somewhat stiffer than Mr. Hull's own proposals (which the F.O. had not at the time seen), but were not by any means irreconcilable, and the F.O. was careful to make it plain that they thought it desirable to ask a higher initial price than they would later be prepared to accept. Finally, they felt obliged to demur to a suggestion by Mr. Hull that diplomatic representatives here should have discretion in regard to the extent of the lifting of the embargo. H.E. showed Mr. Hull these/
these instructions the next morning, and the differences on points of detail were discussed. Mr. Hull undertook to consider them and did not then suggest that anything in them made it hopeless to proceed with the modus vivendi. (S.O. 61, No. 6414, Washington, D.C., No. 756)

7. This interview took place on the morning of November 25th. The next morning the President received a message from the Prime Minister which said, inter alia, "of course it is for you to handle this business and we certainly do not want an additional war. There is only one point that disquiets us. What about Chiang Kai-shek?" That afternoon T. V. Soong and the Chinese Ambassador saw the President and delivered a message from Chiang Kai-shek which took a strong line against the modus vivendi. T. V. Soong himself also argued strongly against it, and got the impression at the end of his interview that the U.S. had given up the idea. The same evening Mr. Hull telephoned to H.M.G. to say that he had given the Japanese a statement of general principles in regard to peace in the Pacific, but that he had not given them the modus vivendi. The next morning, November 27th, Mr. Welles made the charge of lack of support from H.M.G.

November 27th, 1941.