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Copies of

COMMUNICATIONS FROM JAPAN

in two binders

Binder No. 2

May 8, 1939 to November 17, 1941



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THE FOREIGN SERVICE  
RECEIVED OF THE  
DEPARTMENT OF STATE OF AMERICA



No. 3879.1939 MAY 29 PM 3 33

AMERICAN EMBASSY  
Tokyo, May 8, 1939.

DIVISION OF  
COMMUNICATIONS  
AND RECORDS

SUBJECT: JAPAN'S FOREIGN POLICY, WITH PARTICULAR REFERENCE  
TO THE SITUATION IN EUROPE.



STRICTLY CONFIDENTIAL

Mr. [ ]	Mr. [ ]	Mr. [ ]	Mr. [ ]
Mr. [ ]	Mr. [ ]	Mr. [ ]	Mr. [ ]
Mr. [ ]	Mr. [ ]	Mr. [ ]	Mr. [ ]



The Honorable

The Secretary of State,  
Washington.



Sir:

In a series of telegrams, the last of which is  
my 215, May 5, 6 p.m.. I have endeavored to furnish  
the Department currently with information indicating  
the trend of authoritative Japanese thought with regard  
to the negotiations which are in progress between Japan  
and Germany and Italy with regard to a new arrangement  
by treaty which would afford a further manifestation  
of



FILED

FP

762.94/373

762.94  
762.94  
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file  
up



of the special relations which exist among those three countries. I had the honor to present in my despatch no. <sup>762.74/501</sup> 3709, February 27, 1939, a discussion of the general principles by which Japan has been guided in its relations with the countries of Europe. I referred to the liquidation of the involvements of Japan in the affairs of Europe which arose out of her participation in the various treaties of peace that concluded the Great War, and I raised the question whether she would again assume commitments even more hazardous than those of which she has just divested herself.

We now know as a definite fact that the advantages of Japan's associating herself with Germany and Italy in a treaty of alliance have been explored; we know, further, that there have been conversations between the Japanese and German Governments with regard to some new treaty -- not necessarily a military alliance; but whether a military alliance has been the subject of formal discussions is a question which need not detain us. The Minister for Foreign Affairs said to me that there had been no "negotiations" or even "preliminary conversations", but that there has been a conveyance of views back and forth is implicit in the ironic observation which Mr. Arita made to me that it is he and not Mr. Shiratori, the Japanese Ambassador at Rome, or General Oshima, the Japanese Ambassador at Berlin, -- both ardent advocates of the tripartite



tripartite alliance idea -- who is responsible for the conduct of Japan's foreign relations. I do not attach much importance to the question whether or not formal negotiations between the governments concerned have taken place. The fact which is impressive is that there are at work in this country powerful and sinister influences supporting the machinations of Mr. Shiratori and General Oshima; and if these influences should prevail, the fact that Germany could not see its way clear to accepting the Japanese proposal of an alliance against Soviet Russia should not delay the conclusion of a treaty to the entire liking of Germany and Italy. Fortunately, the indications at this moment of writing are that these influences are not in the ascendancy.

I propose in the present review of events bearing on the question of Japan's relations with Germany and Italy, to begin with the reference to this question by the Prime Minister in his conference with press correspondents on March 29. There is no official version of his statement, but the tenor of his remarks was that the national spirit of Japan is not reconcilable with either democracy or fascism, that Japan intends to refrain from joining either the democratic bloc or the fascist bloc, but hopes to cooperate with both in the interests of peace. The majority of my colleagues regarded this statement with only passing interest; but when it is realized that there are, as I shall hereafter relate, elements favoring the alliance with sufficient influence to threaten the security



security of the present Cabinet, the apparently commonplace statement of Baron Hiranuma's assumes important proportions.

The next landmark is the situation developing out of the German erasure of the Czechoslovakian state, the Japanese reaction to which was discussed in my 138, March 21, 5 p.m. Reference was made in that telegram to the feeling which at one time prevailed here that a war in Europe would work to Japan's advantage, as it would give Japan a free hand in China; to the succeeding phases of doubt and then of alarm over the probable repercussions in the Pacific of a war in Europe; and finally to the relief with which the report was received that Great Britain had invited the Soviet Union to join in a common defense against German aggression. The greatest confidence was expressed that Poland would not enter any system of collective security against Germany of which the Soviet Union was a member, and there was undisguised satisfaction over the refusal of Poland to align herself with Russia. It was thought that the immediate danger of a war in Europe had been tided over and that the situation there would revert to a chronic condition of alarms and excursions, which would nicely fit the Japanese book. The turn which events subsequently took, however, was unexpected, and, while the importance of the Anglo-Polish pact of mutual assistance



assistance is discounted to some extent, the Anglo-Soviet conversations with regard to a separate arrangement for mutual assistance brought realization of a possible danger to Japan closer to home than a system of collective security against Germany. Press despatches from Europe disclosed that the Soviet Government had proposed that the arrangement presented by the British Government, which would become operative only in the event of aggression by Germany, be enlarged to include provision against Japanese aggression. My British colleague assured the Japanese Government that the Soviet proposal is not acceptable to his Government, but I am informed by Japanese sources that, in the Japanese view, the absence of any explicit undertaking on the part of Great Britain to guarantee Soviet frontiers in the Far East would not remove concern lest the close association deriving from the two European Powers' arrangement, if established, against Germany bring about a concerting of actions and policies for the protection of common interests in the Far East.

I do not pretend to know at what point renewed consideration began to be given by the Japanese Government to the "strengthening of the Anti-Comintern Pact". As a piece of speculation I would put it somewhere toward the end of March, when there began a series of conferences of the "inner cabinet" of five ministers, which has not entirely ceased, and much visiting back and forth of important personages. I began at that time to say to

certain



certain Japanese who were well disposed and who also had personal or other associations with those who were actually in process of deciding Japanese policy, that it would be well for Japan to ponder the risks to her relations with the United States if she were to enter into a general alliance with Germany and Italy. I referred to the swing in American thought away from isolationism and to the opinion being expressed with increasing frequency by Americans prominent in various walks of life that, if a general war were to occur in Europe, it would be only a question of time before the United States became involved. I pointed out that, with the entry of the United States into the hostilities on the side of Great Britain and France, it would be futile to expect that the relations of peace between the United States and Japan could be maintained if Japan were aligned with Germany and Italy. I reduced the question to its simplest elements and did not attempt to elaborate. Within a few days I had gratifying responses to the effect that I had cause no longer for concern lest Japan form an alliance with Germany and Italy. The most authoritative response came unsolicited from the Minister of the Navy.

On April 18 Admiral Yonai was host at a dinner for the officers of the U.S.S. ASTORIA, which I and several members of my staff also attended. During the dinner he said to the Counselor of the Embassy, who sat next to Admiral Yonai, that he had a communication  
to



to make to me but that, as his knowledge of English was limited, he would make it to Mr. Dooman in Japanese and would ask the latter to repeat it to me in English. The following is the substance of Admiral Yonai's reference to Japanese attitude toward the situation in Europe:

He understood that the American Ambassador was greatly concerned lest Japan become involved in the crisis in Europe. A decision had just been taken by the Cabinet which removed cause for any such concern: "Japanese policy has been decided". There is an element which advocates the setting up of fascism in Japan, but that element has been suppressed. The center of Japanese thought is the Emperor, and it is inconceivable that there could be established in Japan any form of government, whether democratic or authoritarian, which would prejudice the position of the Emperor. Japan, therefore, could not join either the democratic or the fascist bloc, but it would cooperate with both.

When Admiral Yonai's statement was repeated to me, I expressed to him my gratification over his disclosure to me of the trend of official Japanese thought. Admiral Yonai smiled broadly and remarked that he had been "very busy" over this question and was glad that it had been decided. This episode gave me great satisfaction for two reasons: the indication of policy  
coming



coming from the Minister of the Navy, one of the two most influential members of the Cabinet (the other being, of course, the Minister of War), was of the most authoritative character, and I had evidence that my contacts had access to the few people who really count today in this country.

As reported in my 215, May 5, 6 p.m., it appears likely that, subsequently to the decision which was taken by the Cabinet as reported to me by Admiral Yonai, renewed pressure by Germany and Italy was brought to bear on Japan, including, according to information coming to the French Ambassador, a threat to denounce the Anti-Comintern Pact unless a commitment, given without authority from his Government by the Japanese Ambassador at Berlin, to enter into an alliance were implemented. There was also renewed pressure on the Government from ultra-nationalistic elements who, while advocating a return to an absolute monarchical government tribal in its primitiveness, find congenial German and Italian policies. Most observers now believe that there has evolved out of the constant series of cabinet conferences a decision which, although containing elements of a definitive character, is sufficiently elastic to permit Japan to trim its sails to any wind which may hereafter prevail -- that it is in essence a compromise.

Having weighed such evidence as is available, I lean strongly to the belief that Japan has refused to enter into an alliance with Germany and Italy. Quite  
apert

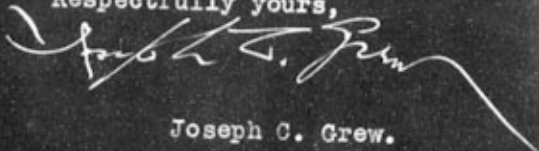


apart from what is told us by Admiral Yonai and other Japanese, there is the report arriving today from Milan that the Foreign Ministers of Germany and Italy have agreed to proceed to the conclusion of an alliance. This report, following so closely on the calls of the German and Italian Ambassadors in Tokyo on the Japanese Foreign Minister on May 4, raises the thought that, had the communication made by Mr. Arita to General Ott and Mr. Auriti been responsive to the proposal for an alliance, the logical time and occasion for announcing the adherence of Japan to the alliance would have been yesterday at Milan. The Japanese Government cannot afford, however, to leave the matter with a negative reply. Not alone is there to be considered the advantages which Japan derives from the turmoil which Germany and Italy maintain in Europe, but the disappointment of chauvinistic elements at home over Japan's failure to place both feet firmly in the fascist camp will have to be alleviated. I am, therefore, prepared to place credit in reports that an agreement is being considered, or has even been formulated, "to strengthen the Anti-Comintern Pact". Japan's position, as we see it, is to avoid the making of commitments which would automatically place her on the side of Germany and Italy by there arising a situation (in Europe) beyond her power to prevent or control; and, in order to avoid alienating



alienating her friends, to give new expression to the special relations which in fact exist between Japan and Germany and Italy. It will be Japan's plan, as we see it, to keep open a way into either camp and to watch developments -- especially the progress of British efforts to bring the Soviet Union into the anti-aggression front.

Respectfully yours,



Joseph C. Grew.

EHD:r

Copy to -

Embassy, Berlin  
" Paris  
" London  
" Rome.

Carbon copy  
received



# TELEGRAM RECEIVED

ADVISER ON POLITICAL RELATIONS  
JUN 15 1939  
DEPARTMENT OF STATE

AC

This telegram must be closely paraphrased before being communicated to anyone. (C)

Tokyo

FROM Dated June 8, 1939

Rec'd 8:05 a.m.

Secretary of State

Washington

Division of  
FAR EASTERN AFFAIRS  
JUN 9 - 1939  
Department of State

DIVISION OF  
EUROPEAN AFFAIRS  
JUN 14 1939  
DEPARTMENT OF STATE

265, June 8, 7 p.m.

STRICTLY CONFIDENTIAL. Our 245, May 26, 8 p.m.

One. The Polish Ambassador gave me in strict confidence an account of his conversation yesterday with the Minister for Foreign Affairs as follows: (a) He told the Minister for Foreign Affairs that he had heard that there had been renewed pressure on Japan to adhere to the German Italian alliance and he inquired whether there had been any change in the negative decision taken in April by the Japanese Government. The Foreign Minister replied that there had been no (repeat no) change but that Japan's position would have to be reexamined upon the conclusion of the Anglo-Soviet negotiations concerning an anti-aggression pact. (b) The Ambassador then asked for clarification of the Japanese attitude vis a vis the difficulties between Poland and Germany. The Foreign Minister said that his reply to that question would be found in his presentation of the four cardinal points Japan's attitude toward European problems. The first point is that Japan maintains friendly relations with both Germany and Poland

and therefore

740.00/1683

GMB



- 2 - #265, June 8, 7 p.m., from Tokyo

and therefore hopes that they will peacefully resolve their present difficulties; Japan is prepared, without commitment as to the merits of the causes of their dispute, to lend its good offices toward restoring good relations between the two countries. The second is that without prejudice to Japan's intention to avoid involvement in the affairs of Europe, "Her relations with Germany extend beyond the framework of the Anti-Comintern Pact". The third is that the results of the Anglo-Soviet negotiations will determine to a large extent whether or not Japan can avoid involvement in Europe. The fourth is the possibility of Japan and the United States collaborating to bring about a detente in Europe and thus creating opportunity in Europe for laying down a basis of durable peace; the views of the American Government in this respect are being explored. (c) In the general discussion which followed the Foreign Minister again emphasized Japan's concern over the Anglo-Soviet negotiations pointing out that Japan cannot be indifferent to any arrangement which would strengthen the position in the Far East of the Soviet Union. The Ambassador in defense of the British desire to bring the Soviet Union within the anti-aggression front in Europe referred to an innovation of action calculated to prevent the Soviet Union from falling into the arms of Germany. The Foreign

Minister



- 3 - #265, June 8, 7 p.m., from Tokyo

Minister ridiculed that possibility whereupon the Ambassador made the rejoinder that his Government has indisputable evidence from both German and Soviet sources that rapprochement between those two countries is now an active question.

Two. The Ambassador gained the very definite impression that the so-called decision with regard to Japanese policy recently referred to by the press is not a definitive decision but merely a conclusion reached by the Cabinet to await the result of the Anglo-Soviet negotiations. He believes that the hardening of American sentiment against Germany is largely responsible for the present confusion of the Japanese Government with regard to its European policy, his analysis of local trends following very closely that presented in our telegram under reference.

DOOMAN

HPD



# TELEGRAM RECEIVED

JR

This telegram must be closely paraphrased before being communicated to anyone. (C)

FROM

Tokyo.

Dated July 6, 1939

Rec'd 7:30 a.m.

Secretary of State,

Washington.

314, July 6, 5 p.m.

STRICTLY CONFIDENTIAL.

The Polish Ambassador has given me in strict confidence the following information, which I believe to be entirely reliable. Poland and Japan are associated together only by a common distrust of Russia; they have no other common interest; and they exchange views freely.

One. The Japanese Government recently offered its good offices to Germany and Poland with a view to settlement of the Danzig issue. It pointed out to the Polish Government that the latter should make concessions in respect of a comparatively minor matter in order to achieve two major objectives, namely, to assure Poland's independence against possible Soviet aggression and to save Europe from the catastrophe of war. The Polish Ambassador replied under instructions that the maintenance of the status quo in Danzig is for Poland a supreme consideration, for the reason that if Danzig were to fall

into



760C.62/681

FILED

FP

760C.62

760C.94

760C.01



-2- #314, July 6, 5 p.m., from Tokyo.

661.6231

into German hands it could not maintain its independence in any case. The Ambassador further told the Japanese Government that it might probably present to the German Government the argument that it had presented to the Polish Government as Danzig is in reality a matter of minor importance to Germany. The Japanese Government speaking through the Minister of War informed the Ambassador that it is not in a position at this time to make any such representation at Berlin. The Ambassador understands that the Japanese have been greatly upset over the German-Soviet trade discussions which, along with the equivocal attitude of the Soviet Government in the negotiations with the British and the French, is creating doubt in the Japanese mind of the good faith of Germany toward Japan.

762.94  
793.102 Tientsin

Two. The Ambassador is satisfied that the Germans have given an undertaking to the Japanese to maintain a condition of turmoil in Europe until the Tientsin issue is disposed of and that they will thereafter again press the Japanese to adhere to the axis alliance. He had heard on reliable authority that conversations in this regard are now taking place in Tsingtao (repeat Tsingtao) between Japanese and German military officers. Cipher text by mail to Peiping and Chungking.



# TELEGRAM RECEIVED

JR

This telegram must be closely paraphrased before being communicated to anyone. (C)

FROM

Tokyo

Dated August 8, 1939

Rec'd 9:48 a.m.

Secretary of State

Washington.

394, August 8, 6 p.m.

Our 390, August 5, 10 p.m.

STRICTLY CONFIDENTIAL.

One. From conversations which I have had during the past few days I believe that the proposal for conclusion by Japan of a military alliance with Germany and Italy is being put forward again with such vigor that a major political crisis is in process of formation. The British Ambassador tells me that he is of the same opinion. Any estimate at this time as to the outcome of the present discussions within the Government would be purely speculative. Some of my Japanese informants believe that the Cabinet will fall while others take a more optimistic view. The best information which I have is that the position of the Cabinet has deteriorated substantially since the end of last week and that the Cabinet is not (repeat not) entirely confident that it will be able to plan its opposition to the treaty proposal.

Two.

762.94/402

FILED

CONFIDENTIAL FILE

GML



-2- #394, August 8, 6 p.m., from Tokyo.

Two. The basic considerations involved in the present discussion appear to be substantially those set forth in the concluding pages of my despatch 3936 June 7, but the circumstances which have resulted in the bringing forward again accounts of the alliance project at this particular moment are not entirely clear. Certainly the narrowing margin of the differences between the British and French Governments on the one hand and the Soviet Government on the other in the way of concluding a military agreement between those countries has brought about in this country a corresponding increase in support for the organized minority favoring an alliance with Germany and Italy. However, I understand that the view prevails in Japanese military circles that the possibilities of a war in Europe during the present year are decreasing. I am therefore inclined to believe that the principal consideration leading to the bringing forward of this proposal again at this particular juncture should be attributed to the diminishing prospects of the present Anglo-Japanese conversations bringing about an agreement which would be acceptable to the Japanese. Accordingly whether the discussions in the Cabinet are designed primarily as a minatory gesture to emphasize to Great Britain the consequences if the British do not yield

to



-3- #394, August 8, 6 p.m., from Tokyo.

to Japanese demands or whether preparations are now  
being proposed <sup>against the</sup> ~~(?)~~ state of uncertainty which is ex  
anticipated to prevail in the event of the breakdown  
of the Anglo-Japanese conversations it is impossible to  
tell. The uncertainty of future <sup>relations with</sup> ~~(?)~~ the United States ex  
is undoubtedly another factor.

DOOMAN

WWC:HPD



TELEGRAM RECEIVED

MJD

TOKYO

A portion of this telegram must be closely paraphrased before being communicated to anyone. (BR)

FROM

Dated September 19, 1939.

Rec'd. 7:10 a. m.

COPIES IN PARAPHRASE  
SENT TO C.M.I. AND  
M.I.D. IN CONFIDENCE

Secretary of State,  
Washington.

484, September 19, 3 p. m.

(GRAY) One. This morning's newspapers have come out with sensational feature articles predicting a worsening of Japanese-American relations. These articles have a common basis and appear to have originated in a handout from some Government agency, believed in this instance to be the War Office. The main points may be summarized as follows:

American feeling toward Japan has become increasingly unfriendly of late, this feeling manifesting itself in a critical attitude at the time of the Anglo-Japanese conversations over the Tientsin concessions question and in the recent abrogation of the commercial treaty. The conclusion of the Soviet-Japanese border truce and the advance of Soviet troops into Poland have been a great shock to the United States and have had the effect of heightening and crystalizing anti-Japanese sentiment. These developments have convinced the United States that in the weakness of the Anglo-French position

711.94/1296

F/FG



MJD -2- No. 484, September 19, 3 p. m. from Tokyo

position in the Far East implied therein Japan will seize the opportunity to carry out its program of setting up a new order in East Asia and will bring greater pressure to bear upon British and French interests in the Far East. In order to forestall these developments the United States is endeavoring in feverish preparations to bring its navy up to full strength. The United States therefore willy-nilly threatens to become the watchdog for British interests in the Far East. Such a policy is fraught with danger as it brings the American and Japanese fleets face to face in the western Pacific and may eventually lead to a war desired by neither of the two peoples. (END GRAY)

Two. The contents of these articles are essentially not unreasonable. We are endeavoring to ascertain the exact source of the handout, whether there is in process official effort to foment anti-American feeling or whether the material may have been released at this time to prepare the Japanese public for possible unfavorable developments towards Japanese-American relations.

Repeated to Peiping. Peiping please repeat to Chungking and Shanghai.

DOOMAN

RR  
CSB



## TELEGRAM RECEIVED

AC

This telegram must be closely paraphrased before being communicated to anyone. (Br)

FROM

Tokyo

Dated September 22, 1939

Rec'd 10:25 a.m.

Secretary of State

Washington

489, September 22, 5 p.m.

Our 484, September 19, 3 p.m. / 1296

One. We have had several conversations with members of the Foreign Office a propos of the spate of articles appearing recently in the vernacular press concerning American-Japanese relations. While we have been unable to establish definitely the original inspiration of these articles it is now apparent the Foreign Office has at least actively participated. In our conversations it developed that individuals in the Foreign Office hold the view that although the public in Japan has been kept fully informed of the definitely unfavorable popular opinion in the United States it is now necessary to prepare the Japanese people against the American Government giving effect to such opinion when the commercial treaty expires by legislation directed specifically against Japan. Therefore, every opportunity is to be taken we understand to emphasize the possibility of a serious worsening in relations with the United States.

Two.

711.94/1299

F/Pg

FILED  
SEP 29 1939



- 2 - #489, September 22, 5 p.m. from Tokyo

Two. The articles now appearing are not inflammatory but they are on the whole pessimistic in tone, being reflective of Foreign Office and big business opinion.

Repeated to Shanghai. Shanghai please repeat to Peiping, Chungking.

DOOMAN

RR:WWC



## TELEGRAM RECEIVED

EG

This message must be closely paraphrased before being communicated to anyone. (Br)

FROM Tokyo

Dated September 28, 1939

Rec'd 9:34 a.m.

Secretary of State,  
Washington.

Division of  
FAR EASTERN AFFAIRS

SEP 28 1939

Department of State

495, September 28, 6 p.m.

One. The Minister for Foreign Affairs this afternoon received in turn the chiefs of mission. He greeted me very cordially as we are friends of long standing. He said that he looked forward eagerly to seeing Mr. Grew as soon as possible after the Ambassador's arrival in order to explore ways and means of restoring good relations.

Two. The Foreign Minister regretted that he had not the time today to discuss American Japanese relations at length but he wished to emphasize one point - that he could be counted on to do his best to prevent the war in Europe from spreading to the Pacific Ocean. It was dangerous to be too complacent, as an example of the results of such complacency is the conflict with China, into which Japan was unexpectedly drawn. He firmly believed that the United States and Japan owed it to humanity as well as to themselves to maintain peace in the Pacific. I stressed briefly that the necessary

711.94/1308

F/FG



-2- #495, September 28, 6 p.m. from Tokyo

necessary first step toward restoring good relations must be suppression of Japanese actions in China injurious to American nationals and interests which arouse resentment in the United States.

Repeated to Shanghai. Shanghai please repeat to Chungking and Peiping.

DOOMAN

CSB



# TELEGRAM RECEIVED

RFP

GRAY

Tokyo

FROM

Dated October 21, 1939

Rec'd 2:18 p.m.

Secretary of State  
Washington

Division of  
FAR EASTERN AFFAIRS  
OCT 23 1939  
Department of State

COPIES SENT TO  
O.N.I. AND

539, October 21, 11 p.m.

*omitting last sentence of  
paragraph four of section two.*  
872

One. Admiral Nomura made his first public statement concerning foreign policy last night. The statement was evidently previously prepared and handed or read to the correspondents on the occasion of the Minister's departure for the Ise shrines. Comment by most papers is largely limited to emphasis on certain excerpts.

Two. The statement is divided into seven sections which are summarized as follows: (a) disposition of the China incident: the Government will actively assist the movement to establish a new central government in China. In so doing full consideration will be given to actual conditions in China and to the general situation at large. A strong government worthy of the confidence of the Chinese people is desired even more than early establishment of any government.

The new order in East Asia which we seek is not the petty anti-foreign movement suspected by third countries but is of such form and substance as will enable East Asia,

as

794.00/159

FA

OCT 27 1939

794.00



RFP -2- #539, October 21, 11 p.m. from Tokyo

as East Asia, to contribute most effectively to the peace and progress of the world. The grand resolution of the Japanese people cannot be altered by the intervention of third powers. Our efforts shall be sincerely devoted to creating an understanding on the part of third powers of these two facts.

(b) Relations with Great Britain and France: the key to relations with Great Britain and France is their understanding of this new order in East Asia and their cooperation with Japan to accomplish that order.

(c) (full translation) Relations with the United States: Ambassador Grew has recently returned to his post, and I therefore look forward to hearing from him the trend of thought in American official and unofficial circles, and to a frank exchange of views concerning the events which have transpired in East Asia during his absence. I am very glad to hear the Ambassador say that he will devote his life to the promotion of friendship between Japan and the United States. Friendship is founded on mutual understanding. Mutual understanding springs from the facing of actual conditions in an unbiased open hearted manner while at the same time placing oneself in another's position. The Japanese, as I have said, have adopted a broad fundamental ideal and with unshakeable resolution are engaged in the great work  
of



RFP -3- #539, October 21, 11 p.m. from Tokyo

of rebuilding East Asia. I sincerely hope that this objective and this resolution will come to be properly understood in the United States.

(END OF SECTION ONE)

GREW

EMB



## TELEGRAM RECEIVED

RFP

A portion of this telegram must be closely paraphrased before being communicated to anyone. (B)

Tokyo

FROM

Dated October 21, 1939

Rec'd 1:02 p.m.

Secretary of State

Washington

539, October 21, 11 p.m. (SECTION TWO)

(GRAY) It appears that the first concern of the United States with regard to the unfortunate war which has broken out in Europe is, as evidenced by the resolution of the recent Panama conference, to prevent the spreading of that war to the American continents. Japan also has the same concern for East Asia; and is striving by various means to prevent the spread of the European conflict to East Asia. I believe the United States can well understand Japan's position in this matter and that the United States and Japan while each maintaining peace in its own area should mutually endeavor to establish firmly peace on the Pacific Ocean.

(d) Relations with the Soviet Union: my policy shall be to clear the atmosphere between Japan and Russia and to establish normal relations by amicably settling border and other questions.

(e) Relations with Germany and Italy: the Anti-Comintern agreement is still a basic part of Japan's policy and the good relations with these countries on the basis of this agreement



RFP -2- #539, October 21, 11 p.m. (SECTION TWO) from Tokyo

agreement have not been affected.

(f) Relations with countries in the South Seas: Japan hopes for mutual prosperity and cooperation with these countries but cannot tolerate assistance to Chiang Kai Shek. Japan is also deeply concerned that vital supplies from those areas not be interrupted.

(g) European war prospects: I believe the European war may well be of long duration.

Three. The press was restrained in its comments emphasizing particularly the part of the statement concerning relations with the United States in which Nomura expresses the hope that the United States will realize Japan's lofty purpose and unshakeable determination.

Four. Comment by the Embassy on Nomura's statement, except that it is believed to be a sincere expression of his policy, is withheld until after my next interview with him. (END GRAY) It may be significant that the Minister's private secretary yesterday spoke to me very favorably of my speech before the America-Japan Society.

(GRAY) Repeated to Shanghai. Shanghai please repeat to Chungking, Peiping. END OF MESSAGE

GREW

EMB



# TELEGRAM RECEIVED

JI

GRAY

FROM  
Tokyo

Dated November 4, 1939

Rec'd 1:30 p.m.

Secretary of State  
Washington

Division of  
FAR EASTERN AFFAIRS  
NOV 6 - 1939  
Department of State

COPIES SENT TO  
O.N.I. AND M.I.D.

574, November 4, 9 p.m.

123 4861/831

One. In my conversation today with the Foreign Minister the procedure set forth in paragraphs four and five of my 562, October 31, 2 p.m. was closely followed. In addition to the two documents mentioned I left with the Minister a chronological statement of our written representations to the Japanese Government since the commencement of the present hostilities in China showing which of those representations have been answered and which have not been answered. A prefatory page states that this list does not necessarily present a complete accounting of instances in which American citizens or American rights or interests have suffered interference, discrimination, indignities or damage as a result of Japanese activities. The recapitulation shows that of 382 representations made 256 have not been acknowledged. I pointed out to the

Minister

NOV 9 1939

711.94/1334



-2- 574, November 4, 9 p.m., from Tokyo

Minister that not all or many of the 116 replies received could be regarded by us as satisfactory. In the case of 10 representations replies were not necessarily required. I requested the Minister to be good enough to read all of these documents in order to obtain a clear picture of the situation.

Two. In the course of my presentation I said that in my opinion the coming months might be irregular in American-Japanese relations and I urged with all earnestness that steps be promptly (underline promptly) taken to implement the assurances repeatedly given by the Minister's predecessors that American rights and interests in China would be respected.

Three. The Minister many times read from a document presumably prepared by his staff. He expressed regret for the delay in receiving me which was due to the fact that he had only recently taken office and had been obliged to familiarize himself with the problems thereof. He spoke pleasantly of my work during the past seven years in the interests of Japanese-American relations and of the report of my recent visit to the United States as expressed in my speech October 1 before the America-Japan Society. He said  
that



-3- 574, November 4, 9 p.m., from Tokyo

that he fully shares my desire for better relations between our two countries. He said that in international relations both sides must have full appreciation of the standpoint and views of each other. Both the United States and Japan are stabilizing influences in their respective regions and he realizes that both desire to remain apart from the disastrous effects of the European war.

Four. The Minister said that there appears to be a misunderstanding on the part of the United States that Japan intends to drive American interests out of China. I replied that quite apart from any future intention the fact remains that American interests are being driven out of China. The Minister observed that American assistance in the reconstruction of China is going to be absolutely indispensable.

Five. The Minister requested us to bear in mind the following points:

(A) Japan is engaged in warfare on a scale unprecedented in Japanese history and great stakes including the expense of many lives and much treasure are involved. Japan's paramount object is to convert an anti-Japanese China into a China sympathetic to Japan.



-4-574, November 4, 9 p.m., from Tokyo

Japan. In the Minister's personal opinion Japan and China must live in good neighborhood and prosper in a common way. If third powers help China to antagonize Japan stabilization will be impossible.

(B) The Minister expressed the hope that the United States will give better appreciation of the extent to which the Japanese authorities in China are endeavoring to protect American property in China. They are doing their best under abnormal and difficult conditions. The United States is evidently not satisfied but the Minister hopes to give concrete facts of the care taken. This referred to bombings and other encroachments. I/<sup>mentioned</sup>the subject of Japanese monopolies. The Minister said he thought that such monopolies were set up purely for purposes of price control.

Six. At the end of the conversation the Minister said that he was now discussing these various matters with his colleagues in the Cabinet and with the Prime Minister.

Seven. We then agreed on a communique to the Japanese press stating simply in effect that we had explored the field of Japanese-American relations in



-5-574, November 4, 9 p.m., from Tokyo

a mutually constructive spirit. He, however, authorized me to tell the American press correspondents that I had presented the American point of view in general and in detail. This was done.

GREW

DDM



# TELEGRAM RECEIVED

HSM

GRAY

Tokyo

FROM

Dated November 8, 1939

Rec'd 11:35 a. m.

Secretary of State,

Washington.

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O.N.I. AND M.I.D.  
REK

Division of  
FAR EASTERN AFFAIRS  
NOV 9 - 1939  
Department of State  
file  
NA  
m  
by

584, November 8, 9 p. m.

At press conference this morning, Suma, new Foreign Office spokesman, is reported by the press to have asserted to foreign correspondents that "Japan will not be able to remain indifferent" if the Vinson proposal for a greatly enlarged American Navy is approved by the Congress. Although declining to elaborate on this statement he explained that inasmuch as the measure has not yet passed "the stage of a proposal it does not yet constitute a stumbling block to the improvement of amicable relations between the two countries".

Answering a question at the same conference regarding the reported prediction of Senator Pittman that the Congress would pass an embargo on exports to Japan unless American-Japanese relations improved before the expiration of the Treaty of Commerce, Suma stated that the matter is not new as the Senator has been talking of such an embargo for a long time, and referred in that connection to a warning attributed to Senator Vandenberg, who, he said, represented

not

711.94/1338

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NOV 13 1939



hsm -2- No. 584, November 8, 9 p.m., from Tokyo

not only the Republican party but also the sentiment of important business leaders, that it would constitute a provocation to Japan. Suma went on to say that the attitude in Japan now is to maintain as amicable relations as possible with the United States but stated that if the embargo talk evolves into a law there is fear of its impairing relations between the two countries, as he believed that an embargo would be interpreted by Japan as provocation on the part of our Government. He then repeated the familiar thesis that issues between Japan and third powers are due to the abnormalities and large scale hostilities in China and that "the establishment of the new central government in China would do much to clarify the situation in East Asia."

Suma informed the correspondents that no arrangement had been made either for a second talk between the Foreign Minister and myself, or for a resumption of Anglo-Japanese negotiations regarding the Tientsin issue.

GREW

CSB



*LWH*

**TELEGRAM RECEIVED**



HSM

This telegram must be  
closely paraphrased  
before being communicated  
to anyone. (D & C).

Tokyo

FROM Dated November 27, 1939

Rec'd 8:27 a. m.

Secretary of State,  
Washington.

*A*

DIVISION OF  
EUROPEAN AFFAIRS  
NOV 28 1939

*FE memo*

626, November 27, 3 p. m.

STRICTLY CONFIDENTIAL.

One. My British colleague today handed me the  
text of a telegram which he states that he together  
with the French and Polish Ambassadors sent to their  
respective Governments on November 22nd. Craigie says  
that the three ambassadors had wished to consult with  
me before sending the telegram but that owing to my  
absence in the Kansai they felt that they could not  
delay it until my return yesterday.

Two. In this connection please see another telegram  
which I am sending shortly on the subject of a possible  
Japanese rapprochement to Soviet Russia.

Three. There follows a close paraphrase of the  
telegram mentioned in paragraph one:

Despite the fact that Soviet-Japanese diplomatic  
exchanges have only reached the stage of preliminary

soundings

761.94/1162 FILED

DEC 11 1939  
Confidential

B



hsm -2- No. 626, November 27, 3 p. m., from Tokyo

soundings regarding such matters as the delimitation of frontiers, fisheries, the Saghalien concessions, et cetera, as well as the amelioration of commercial relations, a growing tendency exists for Japanese-Soviet relations to move toward a detente of a general political nature.

Information of which the accuracy is difficult to assess here indicates that Soviet Russia, with a view to maintaining a free hand in Europe has in contemplation a political and economic improvement of its relations with Japan possibly including an understanding concerning China at the expense of the latter country. The Soviet Union, seizing as a pretext the present dissensions between the Chinese Communists and the Kuomintang, would be prevailed upon temporarily to maintain an attitude of detachment toward Japanese action in China, it being understood however that the position and influence already acquired there by the Soviet Union and the Chinese Communists would remain safe and unimpaired. In the event that a plan of this nature for the division of China into spheres of Soviet and Japanese influence should be successful, Generalissimo Chiang would find himself without allies or other support, and the prospects of a success of the projected Wang Ching-wei regime would be enhanced to that extent.

Today



hsm -3- No. 626, November 27, 3 p. m., from Tokyo

Today the liquidation of the war in China constitutes the first objective of Japanese policy, to promote which Japan might even be prepared to go so far as to cooperate with the Soviet Union by assuming an attitude of benevolent neutrality toward Germany.

756.190  
Propaganda emanating from Germany is busy in Japan preparing the ground for Soviet overtures and seeking to direct them along lines of a specifically political character. In form, this would constitute a sort of triple alliance designed to increase the resistance of Japan to foreign pressure in China, at the same time in effect relinquishing the non-Communist areas of China to Japan. The additional incentive is being held out that, once in the position of having safeguarded her northern flank through the reaching of an understanding with the Soviet Union, Japan would be in a better position at the opportune time to make an attack against the East Indian possessions of the Netherlands. (END OF SECTION ONE).

GREW

RR



DIVISION OF  
EUROPEAN AFFAIRS

DEC 8 1939

DEPARTMENT OF STATE

# TELEGRAM RECEIVED

CK

This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. (C.)

Tokyo

Dated November 27, 1939

FROM

Rec'd 9:57 a.m.

Secretary of State

Washington

Division of  
FAR EASTERN AFFAIRS

NOV 28 1939

Department of State

626, November 27, 3 p.m. (SECTION TWO)

In Japan the atmosphere is confused and favorable to  
such ~~suggestions~~ <sup>foregoing</sup> as the ~~opening~~ Pending the opening of the  
Diet the Government's position is not too strong for the  
financial and economic situation is undergoing an  
increasing strain. The desire is universal to liquidate  
the China affair but no one knows how to achieve this  
end. As a result of the increasing cost of living as well  
as of the growing lack of essential commodities there is  
much popular discontent. Although the army is of course  
normally anti-Soviet, opinion therein is taking an in-  
creasing interest in the plan for an understanding with  
the Soviet Union as subordinated to offering the  
speediest method of liquidating the war in China without  
undue detriment to the immediate political and economic  
objectives of Japan. If this attitude should ultimately  
prevail in the army it seems probable that the Cabinet  
(now?)  
not in power once it had prepared the ground for a new  
policy by disposing of the monetary issues that are now

being

761.94/1162

B



OK 2-No.626 November 27, 3 p.m.(Section Two) Tokyo.

being discussed would sooner or later resign in order to make way for a Cabinet ready to take more extreme measures. It should be remembered constantly in this regard that the Japanese <sup>army</sup> is desperately desirous of liquidating the China affair before its prestige at home, which, ~~is~~ <sup>is</sup> waning, has seriously undermined its hold on Japan that in exchange for an understanding with the Soviet Union which would allow it to attain its objectives in China at an early date the army might even be prepared to see the future mortgaged. Finally, it should be borne in mind that the opinion of the army if it is sufficiently united will in the long run be the determining factor in this particular matter. In fine, notwithstanding admitted improbability that the Government here would rashly commit itself to Soviet Russia by the conclusion of a general political entente therewith or of some compromise in China of a dangerous nature, we cannot overlook the possibility that at this moment undue pressure from the democratic countries might result in driving Japan in that direction. After the expiration of the American Treaty and with the danger of the imposition of an American embargo-should no concessions satisfactory to the United States meanwhile be obtained from the Japanese army in China-the difficulties of the situation will increase.

It may be asserted finally that in default of early steps to improve relations between Japan and the

Western



CK 3-No.626 November 27, 3p.m.(Section Two) Tokyo  
Western democracies, the danger exists that the foreign  
policy of Japan may fall into the control of extremists  
without experience. In that event an internal political  
situation of a grave nature would ensue, carrying with it  
repercussions in China from which the Soviet Union alone  
could profit. (END OF MESSAGE)

GREW

HPD

\* apparent omission.



**TELEGRAM RECEIVED**

CJ

This telegram must be closely paraphrased before being communicated to anyone. (B)

TOKYO

FROM

Dated November 27, 1939

Rec'd 2:50 p.m.

Secretary of State,

Washington.

631, November 27, 9 p.m.

STRICTLY CONFIDENTIAL.

The following telegram was drafted early last week

during my absence in Kobe but in view of the importance of the subject matter was held against my return. I am forwarding it with my approval.

One. The following comment is offered on the possibility of there being concluded some special political arrangement between Japan and the Soviet Union a subject which is now being widely discussed in informed circles but not in the press. In our 482, September 18, 6 p.m. the opinion was expressed that in view of certain basic and long term considerations Japan would not conclude any such arrangement with the Soviet Union. My information today is not what it was when that estimate was made, notably in respect of relations with the United States and the fact is that there has recently developed a movement of strong proportions favoring the coming to terms with the Soviet Union.

Two.



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64 1939

CONFIDENTIAL



-2- #631, November 27, 9 p.m., from Tokyo

Two. A friendly ambassador with whom we have close relations informed us some time ago that the Vice Chief of the General Staff had told him that there are taking place exploratory conversations with the Soviets which might perhaps lead to some working arrangement between Japan and the Soviet Union with regard to ~~China~~<sup>China</sup>. Members of my staff subsequently met informally officers in the General Staff who ~~served in the United States~~<sup>served in the United States</sup> have ~~(\*)~~ and the latter confirmed the holding of such conversations. They said that the General Staff is also equally divided on the question whether a working arrangement should be made with Russia. Our informants themselves are opposed to it. They said that it was plain to them that the Russians are trying to play with the Japanese the same game that they successfully played with the Germans, that is, to lull the Japanese into feeling secure against any possibility of danger from Russia in order that Japan might be emboldened to take against the United States an attitude calculated gravely to impair relations between the latter countries. These officers stated that the General Staff as a whole has been aware of the danger of flirting with the Russian representatives but that there is a growing faction which believes that the Soviet Union can be maneuvered around in some way as to promote the bringing to an end of the hostilities in China. (END SECTION ONE)

GREW

(\*) Omission  
CSB



## TELEGRAM RECEIVED

CJ  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. (B)

TOKYO  
FROM  
Dated November 27, 1939  
Rec'd 2:10 p.m.

Secretary of State,  
Washington.

631, November 27, 9 p.m. (SECTION TWO)

Three. The Foreign Office, although emphasizing the importance of settling various standing issues with the Soviet Union continues to deride the possibility of there being concluded any arrangement which would in effect bring Japan closer to Germany and the Soviet Union at the expense of her relations with the United States and Great Britain.

Four. The Department will appreciate that we have not been alarmist with regard to this matter and we do not desire to convey the impression that some special arrangement with Russia or Germany or with both has already secured the support of the predominant part of those who formulate Japanese policy. In fact, so long as members of the government continue to emphasize the importance of Japan's continuing an "independent policy", the probabilities are that any such arrangement is a project of the minority. Nevertheless the receptiveness which the idea finds in the general staff, the fountain head of opposition to Russia and to Soviet thought, at a time when pessimism more prevalent  
with



-2- November 27, 9 p.m. (SEC T/C) from Tokyo

with regard to relations with the United States, requires modification of our earlier opinion excluding the likelihood of any such arrangement being made.

(END MESSAGE)

GREW

CSB





THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

AMERICAN EMBASSY

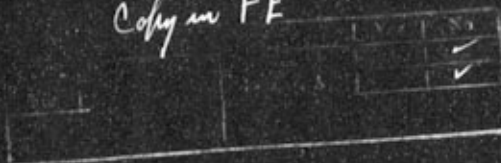
Tokyo, December 1, 1939

No. 4359.

SUBJECT: AMERICAN-JAPANESE RELATIONS.



Copy in FE



1940 JAN 10 PM 2 54

711.94/1396

The Honorable

The Secretary of State,  
Washington.

Sir:

A Japanese recently remarked that what Japan most needs at present is a statesman of the calibre of Prince Ito. No such figure, alas, has emerged nor is likely to emerge, and through lack of strong statesmanship Japan is bound to suffer. The Government is weak and is "floundering". Yet to control and unify the heterogeneous forces in Japan today would require a statesman of almost superhuman ability.

The



FEB 20 1940

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The crux of Japanese-American relations lies in the fact that while the Government is prone to give us soothing assurances, no individual or group in Japan is strong enough to bring about the full implementation of those assurances. There is little doubt that the great majority of Japanese, both in the Government and out of it, who know anything about foreign relationships, want good relations with the United States, but they have yet to grasp securely the power of directing policy and taking measures in the effective way which alone can bring about good relations. International relations cannot thrive on mere pious expressions of intention. I have told them this, and am steadily continuing so to tell them, but it does little good. The outlook for the future relations between the United States and Japan does not now appear to be bright.

It is this outlook that now requires our most careful study and concern.

#### Two Main Desiderata

Before proceeding further with these observations, I wish to make clear the following point: my functions as American Ambassador to Japan, as I conceive them, and therefore the functions of the Embassy, involve two fundamental duties: first, the maximum protection and promotion of American interests in this field; second, the maintenance and furtherance of good relations between the United States and Japan. Even if and when these two duties are found to be in conflict, we are not relieved of either responsibility. Our efforts must be to endeavor

to



to align, so far as may be possible, these two main desiderata. Our analyses and recommendations must keep both of these primary purposes constantly in view. It then of course devolves upon the Administration rather than upon the Embassy, in the light of larger policy, to determine the course to be followed by our Government.

#### An Objective Approach

Furthermore, in approaching this problem we must be guided by pure objectivity from which all elements of bias or prejudice, predilection or antipathy, sentiment or emotion must be carefully excluded.

It is, then, in this spirit that I approach the problem. Whatever the thought present in the minds of many Americans who, like myself, regard the future of America in the Far East with many misgivings, there can be no place in my philosophy for the thesis delenda est Japonia.

#### Principle versus Realism

In shaping the future course of the United States in the Far East our Government, I believe, should have in mind two distinct considerations. First and foremost, the fundamental principles of our international policy which are based upon our own respect for legal commitments and our expectations of a similar respect on the part of other countries. Second, a sense of realism which takes cognizance of the existence of objective facts. When principle clashes with realism and when no way can be found to align them, then the question inevitably presents

itself:



itself: to what extent, if at all, can we or should we seek adjustment by compromise? Should we ever compromise between principle and realism? We have now attained the desired maximum of our own national entity as well as adequate national strength. International morality, including respect for legal commitments and permanent abandonment of force as an instrument of national policy, has become for us at once a watchword and a religion.

The United States is solemnly (to use that somewhat overworked Wilsonian term) committed to uphold the principles of the Nine Power Treaty, primarily to uphold the territorial and administrative integrity of China and the Open Door. Therein lies the point of principle.

On the other side of the picture, nothing in international affairs can be more mathematically certain (if anything in international affairs is ever certain) than that Japan is not going to respect the territorial and administrative integrity of China, now or in future, has not the slightest intention of doing so and could be brought to do so only by complete defeat. Observance in practice of the Open Door is and will continue to be a matter of degree governed by expediency, not by principle. Herein lies the point of realism.

#### Can Japan be Defeated?

Given the situation now existing in Europe, there does not now appear on the horizon the possibility of such a defeat being inflicted by any nation or by any set of circumstances, military, social, economic or financial. There may be temporary setbacks or a stalemate in the military field or even, over a course of time,

under



under increasing Chinese pressure, what the military experts call "strategic withdrawal to previously prepared positions", in other words, withdrawal into North China the control of which was the primary purpose of the so-called "China Incident"; there may be financial and economic difficulties and depression; a pulling in of the belt; perhaps serious hardships; there may be increasing social unrest at home; but of an overwhelming debacle there is little present outlook.

We have already drawn the Department's attention to the beginning of an inflationary movement in this country, and in a despatch now under preparation there will be discussed the further development of this movement as reflected in slower absorption of government bonds, a large increase in the paper currency, and mounting commodity prices, along with far-reaching measures designed to control prices. Attempts to control the supply and demand of rice are causing wide agrarian unrest. It is our opinion, however, that even if worse came to worst there is realization that Japan has irrevocably committed herself to the continental adventure and is determined to see it through. The majority opinion in the Embassy, which I myself share, does not believe that an American embargo, even if it covered all American exportation and importation to and from Japan, would bring about such a debacle as would cause the Japanese to relinquish their program in China.

Statisticians have proved to their own satisfaction, and will continue so to prove, that Japan can be defeated by economic pressure from without. But the statisticians generally fail to include psychological factors in their

estimates.



estimates. Japan is a nation of hardy warriors, still inculcated with the samurai do-or-die spirit which has by tradition and inheritance become ingrained in the race. The Japanese throughout their history have faced periodic cataclysms brought about by nature and by man: earthquakes, hurricanes, floods, epidemics, the blighting of crops, and almost constant wars within and without the country. By long experience they are inured to hardships and they are inured to regimentation. Every former difficulty has been overcome. Estimates based on statistics alone may well mislead.

"The New Order in East Asia"

During the months since my return from the United States I have carefully and thoroughly studied opinion in Japan, including opinion in the Government, the army, the influential elements in civil life, the business world and the masses, and on one issue that opinion can definitely be said to be unanimous: the so-called "new order in East Asia" has come to stay. That term is open to wide interpretation, but the minimum conception of the term envisages permanent Japanese control of Manchuria, Inner Mongolia, and North China. In the army and among certain elements of the Government and the public the conception is very much broader; those elements would exert Japanese control throughout all of China, or as much of China as can now or in future be grasped and held, including the treaty ports and the international settlements and concessions. Control in Manchuria is already crystallized through the puppet state of "Manchukuo"; control in Inner Mongolia is a problem for the future. It is hoped and expected here that control of North and Central China will



be exercised by setting up the two regimes under Wang Keh-min and Wang Ching-wei. These plans of course envisage long-term and probably permanent Japanese garrisons to compel subservency to Japanese interests. It would be difficult to find any Japanese who visualizes "the new order in East Asia" as less far-reaching than the foregoing minimum conception.

The pill will be most carefully sugar-coated, and the Japanese are past-masters at sugar-coating their desiderata and intentions. They say, and many of them actually believe, that all this is being done to bring permanent peace to China in the interests of the incompetent Chinese themselves; theirs is a "Holy War". They also say, and many of them believe, that it is being done to prevent the spread of communism into Japan proper, thereby casting aspersions, it would seem, on the generally accepted ability of the Japanese police to control and eradicate "dangerous thoughts" within the country. They will tell you, and they do tell you, that once the Wang Ching-wei regime is firmly established and peace once more reigns among the bellicose Chinese who are themselves incapable of maintaining peace, why, then, American interests will be fully respected, the Open Door and equal opportunity will flourish in the land and that everything will be serene. Only a little patience is needed until all this lovely dream gets stabilized as it is quite certain to do. We need not be misled by these assertions.

#### Japan's Fundamental Desiderata

We ourselves can epitomize Japan's fundamental desiderata perhaps better than many Japanese can. They desire:

(1) Strategic



(1) Strategic protection against a future attack by Soviet Russia, particularly an attack on Manchuria.

(2) Economic security through control of the raw materials in China which Japan herself does not adequately possess. Japan is economically vulnerable.

(3) Eradication of both anti-Japanese and communistic activities and propaganda in China, especially in North China.

The Japanese extremists desire much more, but the foregoing desiderata represent the fundamental and minimum purposes of Japanese aggression beginning with the Manchurian campaign in 1931.

Can the Japanese Military be Deprived of Control?

To await the hoped-for discrediting in Japan of the Japanese army and the Japanese military system is to await the millenium. The Japanese army is no protuberance like the tail of a dog which might be cut off to prevent the tail from wagging the dog: it is inextricably bound up with the fabric of the entire nation; its ramifications are far too deep for any effective amputation, or any effective withering through discredit. Certainly there are plenty of Japanese who dislike the army's methods; there is plenty of restiveness at the wholesale impressment of the able-bodied young men to fight in China, of the death and crippling of many, and of the restrictions and handicaps in every-day life entailed by the expenses of the campaign. But that the army can be discredited in the eyes of the people to a degree where its power and prestige will become so effectively undermined as to deprive the army of its control or at least of its preponderant influence in shaping national policy is an hypothesis which



I believe no one intimately conversant with Japan and the Japanese would for a moment entertain. It is reluctantly felt that the entertaining of such an hypothesis is unfortunately but unquestionably a case of the wish being father to the thought. Should any coup d'état occur in Japan through social upheaval, there is little doubt that it would immediately lead to a ruthless military dictatorship.

I have spoken of the heterogeneous forces in Japan, forces that even in the army itself are always present, pulling in varying directions; there are bickerings aplenty even among the different military commands in China itself; but on the point of determination with regard to "the new order in East Asia" one can say with conviction that the Japanese are unanimous. However sugar-coated the pill may be, that term means China for the Japanese; it means that whatever other foreign interests are to be tolerated (sic) in China, those interests are to be subject to Japanese control; it means that only the remnants of trade and business and commercial opportunity are to be dispensed after Japanese interests have acquired and enjoyed the lion's share; and it means, above all, a continued flagrant breach of the Nine Power Treaty through violation of the provisions and principles of that international commitment.

So here we find ourselves squarely faced with a problem which, from all present indications, is to be permanently with us: the problem of principle versus realism. What are we going to do about it?

#### No Compromise with Principle

First of all, I do not think that our Government can, should or will compromise with principle. Regardless of



our past history, it is unthinkable to me, and presumably unthinkable to the Administration and to the great majority of the American people, that in this day and age we should do so. We need not do so. Unless or until the provisions of the Nine Power Treaty are modified by "orderly processes" we should and must respect and honor our own commitments under that agreement.

Two General Courses Open to the United States

Granting a priori that this is our determined position, it appears that two general courses, neither of which involves compromise with principle, are open, each of them susceptible of modification as developments might require.

One course envisages complete intransigence. Unless and until Japan reorientates her policy and actions, both as regards her commitments under the Nine Power Treaty (until modified by orderly processes) and her respect of American rights and interests in China, we would refuse to negotiate a new treaty of commerce and navigation and would, if public demand in the United States calls for it, impose an embargo next winter.

This course would set Japanese-American relations moving on a downward slope to a point from which it would be difficult to bring them back to normal for a long time to come; a treatyless situation, with its attending handicaps to Japanese trade, would start the movement; the imposition of an embargo would greatly accelerate it.

The other course, after endeavoring to consider the situation and outlook from all angles, I believe is in our own interests now and, so far as we can foresee the future, the wiser one to follow. We would say to Japan: "The United States concedes no right and recognizes no compromise with respect to the provisions and principles of the



Nine Power Treaty. We, however, desire so far as feasible to maintain good relations with Japan. We await progressive implementation of your assurances that American rights and interests in China will be respected, not only in negative ways, such as cessation of the bombings of American property, indignities to American citizens and the more flagrant interferences with American business and trade, but also in positive ways through the presentation progressively of concrete evidence that American commercial, cultural and other rights and interests are not to be crowded out of China by Japanese measures as hitherto has appeared patently to be intentional. As soon as some definite start is made in presenting concrete evidence to the foregoing effect, we, for our part, with a view to facilitating the efforts of the Government in Tokyo to further such a program, will enter into negotiations for a new treaty of commerce and navigation and concurrently for a modus vivendi of limited duration to tide over a treatyless situation, it being clearly understood that the ratification of such a treaty will depend upon future developments, namely, the progressive implementation of such a program. In the meantime, also depending upon developments, we will endeavor to hold in abeyance the question of imposing an embargo against Japan. Such an effort will obviously depend upon American public opinion and public demand which, in turn, will depend in large measure upon the character of the concrete evidence presented by the Japanese Government that the desired program is being faithfully carried out. As for the Nine Power Treaty, we shall meanwhile confidently await a favorable moment for a reconsideration of the provisions of that treaty through orderly processes."



How Shall We Meet the Coming Crisis?

Within the next two months we are coming to a crisis in Japanese-American relations, to a possible parting of the ways. One way points straight down hill. A treatyless situation plus an embargo would exasperate the Japanese to a point where anything could happen, even serious incidents which could inflame the American people beyond endurance and which might call for war. The Japanese are so constituted and are just now in such a mood and temper that sanctions, far from intimidating, would almost certainly bring retaliation which, in turn, would lead to counter-retaliation. Japan would not stop to weigh ultimate consequences. It would be all very well to say that Japan had brought our action on her own head, that the United States can get along without Japanese friendship and that the dignity and power of the United States cannot tolerate compromise, but such an attitude would be lacking in any constructive element. I think that our dignity and our power in themselves counsel moderation, forbearance and the use of every reasonable means of conciliation without the sacrifice of principle.

This course involves no sacrifice, no compromise with principle, and no detraction from the dignity of the United States. It simply means that we desire and intend to facilitate, not to complicate, the task of the Japanese Government in its efforts to improve relations by curbing the military authorities in China -- provided that concrete evidence of such efforts and progressively favorable results from such efforts become patent -- instead of rendering that task and those efforts more difficult by complete intransigence. My own present efforts are concentrated



on persuading the Japanese Government to bring such evidence clearly before the American Government and people.

It is axiomatic to say that good relations between the United States and Japan are in our own interests. No purely altruistic motives are involved. In our own interests, particularly our commercial and cultural interests, we should approach this problem from a realistic and constructive standpoint. Not only on Japan's future action but on our own future action too will depend the question whether our relations with Japan are susceptible of improvement or whether they are to go straight down hill. There is no use whatever in quibbling about this, no use in refusing to face facts. The bombings of our property, the personal indignities and interferences, and some of the more flagrant violations of our commercial rights can be stemmed, but unless we are prepared to fight for it, the Open Door, as we conceive it, is not going to be kept open. We have the choice of losing everything or of saving something from the wreckage, while opening the way to a potential building up of our relations with Japan. Whatever course we elect to take should be adopted only after reaching a perfectly clear perception of where the alternative courses will lead, and then of most carefully weighing the pros and cons between them.

In brief, to sum up, I believe that we should now offer the Japanese a modus vivendi, in effect if not in name, that we should commence negotiations for a new treaty, withholding ratification of such a treaty until favorable developments appear to justify such ratification, and that

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even if Senator Pittman's proposed resolution passes the Senate, the Administration should withhold the laying down of an embargo against Japan unless and until it becomes evident that the efforts of the Japanese Government effectively to ameliorate the present position of American interests in China are futile and hopeless. Such an attitude on our part can conceivably lead to a material improvement of the situation. The thinking Japanese know that they are going to need American help in the reconstruction of China, even if such reconstruction is intended to redound eventually to the paramount interests of Japan. The Government does not wish to sacrifice this and other assets which depend upon good relations with the United States. In the long run we ourselves also shall have much to gain by avoiding a break with Japan, much to lose if a break occurs. Intransigence on our part will accelerate the trend toward such a break. A constructive and transigent attitude on our part can turn such a trend the other way. On January 26, 1940, there is likely to arise the most critical period in the entire history of American-Japanese relations. What are we going to do about it?

1/ In the welter of press comment on this general subject a brief article in the San Francisco Argonaut of November 24 has caught my eye and is copied as an enclosure herein as pertinent to this discussion. The article sets forth the unwisdom of disrupting our vast trade with Japan at a time when American business is beginning to rise from a deep depression. This article seems to me worthy of thoughtful consideration.

Is



Is an Isolated Japan Desirable?

The argument is often advanced that Japan should and can be brought to terms through isolation. The corollary is furthermore advanced that unless isolated and reduced by economic and financial attrition to the rank of a second or third rate power, it is only a question of time before Japan continues her continental and overseas expansion, involving the Philippines, the Netherlands East Indies and other western possessions in the Far East; that the time to restrain her expansion is now.

With regard to this thesis, I submit the following considerations. The resort to methods calculated to bring about the isolation of delinquent nations must presuppose in the final analysis the use of force. Sanctions commenced but not carried through bring in their wake a loss of prestige and influence to the nation declaring them. Sanctions carried through to the end may lead to war. This statement seems to me to be axiomatic and hardly open to controversy. In my view the use of force, except in defense of a nation's sovereignty, can only constitute an admission of a lack, first, of good-will and, second, of resourceful, imaginative, constructive statesmanship. To those who hold, with regard to the specific situation with which we are dealing, that it is not enough for good-will and statesmanship to exist only on one side, my rejoinder would be that these factors exist also in Japan, albeit in latent form until now, and that one of the functions of diplomacy is to bring those factors into full vigor. Shidehara diplomacy has existed; it can exist again.

There



There will be time enough to speak of sanctions when the resources of diplomacy will have been exhausted. At the moment of this writing, those resources have not yet been exhausted. By nature not a defeatist, I believe that those resources may yet win the day.

Respectfully yours,



Joseph C. Grew

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Enclosure:

- 1/ Article appearing in San Francisco Argonaut,  
November 24, 1939.

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Original and 4 copies to the Department.



The Argonaut, San Francisco, November 24, 1939.

#### AMERICA'S TRADE WITH JAPAN

Pacific Coast shipping men view with trepidation the near approach of January 26 -- on which date the present trade pact with Japan expires, following the abrogation of the commercial treaty by President Roosevelt. Nor is this alarm confined to shipping interests. It is equally present in the lumbering regions of the north and the farming sections of California's great valley. For Japan is today third among the United States' foreign customers and its trade is of more than ordinary value because its purchases so far outweigh its sales to this country.

In 1938, Japan purchased approximately \$240,000,000 worth of goods in the United States as against exports of \$131,696,000. In other words, for each dollar's worth of goods sold to us, Japan purchased \$1.82 of American products. High on the list of its purchases were California cotton and oil and in the north, lumber.

The growth of this transpacific trade between the two great nations is one of the amazing dramas of modern times. A trade initiated by Admiral Perry's mission in 1853-4 was laboriously developed by some of the foremost commercial figures of both countries. The railroad giants -- Hill and Harriman -- grasped the possibilities in this trade and sought to increase it, as did later Captain Dollar and other great leaders of commerce who strove to keep the American flag on the high seas.

On the Japanese side, equally laborious efforts have been made by its commercial leaders -- the Mitsuis, the

Mitsubishis,



Mitsubishis, the Ohtanis and scores of others whose names are not so well-known to American readers.

Today, two immense commercial fleets, whose majestic liners compare favorably with those on any ocean, are engaged in this transpacific service. Not to mention a number of smaller lines and several important, though more prosaic fleets of tramps, oil tankers and lumber schooners.

To disrupt this vast trade at a time when business is just beginning to rise from a deep depression would be disaster for both nations. Fortunately, the clamor from business organizations up and down the coast indicates that something will be done to prevent this loss.

Somewhere, a common basis for a mutual understanding with Japan can be found. The interests of shippers, farmers, lumbermen and laborers are so deeply involved that an almost irresistible pressure will be placed on those who shape the foreign policies of the two nations.

This transpacific trade is a life-line and a communications line, even the temporary severance of which would be keenly felt on half a million farms and in thousands of small villages quite as much as on San Francisco's turbulent waterfront.