PSF Japan 1937

CONTINUED

DEPARTMENT OF STATE

THE SECRETARY

July 13, 1937.

FOR THE PRESIDENT.

file
Private

PSF
Japan

DEPARTMENT OF STATE

THE SECRETARY

July 12, 1937.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY HULL AND THE JAPANESE AMBASSADOR, MR. HIROSI SAITO.

Japanese-Chinese military trouble.

The Japanese Ambassador called by his own request. He said that he had two things to discuss or to report on -- one was that Japan had two ships taking part in the search for Amelia Earhart and that their officials at Hawaii and other points had been instructed to keep closely posted on the search in the hope of being of some help. I thanked him very earnestly for this fine spirit of friendliness and cooperation on the part of his government.

The Ambassador then handed me a manuscript containing six paragraphs or points relative to the Japanese-Chinese military trouble which commenced on July 7th. A copy of the instrument of writing is attached hereto. The Ambassador read each numbered paragraph for the purpose of any comment I might wish to make. I inquired, when he read the first paragraph, how many troops there

were

were in the Japanese detachment stationed at Fengtai on July 7th. He replied that he did not know but that he supposed it was a hundred or some such number. He said that he imagined this detachment, which was unexpectedly fired upon by Chinese troops, was on the other side of the river from the Chinese troops at the Marco Polo Bridge. When I suggested that Japanese troops had been understood to be camped at various points between the two railroads leading into Peking, he said he was not a student of the geography of this locality. He said that these Japanese troops were located in this Chinese area under the same authority that United States guards and those of three or four other countries are at present stationed in Peking and other Chinese cities. I expressed deep regret at the incident during the reading of each paragraph. He said that Chiang Kai-shek is behind the entire movement; that the idea, in the Ambassador's opinion, is to strengthen his prestige in northern China and especially with certain elements of Chinese who have charged him with being too lax and non-aggressive in his treatment of the Japanese situation. The Ambassador remarked that he still had some

hope

hope the matter might be composed, and then added that the Chinese must know that the Japanese could bring their fleet around to the Chinese coast and take complete control of the situation.

At the conclusion of the reading, I specially emphasized with approval the remarks of the Ambassador about the efforts of his government to work out a friendly settlement without war. I elaborated upon the futility of any other course and the awful consequences of war. I said that a great civilized first-class power like Japan not only could afford to exercise general self-restraint in such circumstances but that in the long run it was far better that this should characterize the attitude and policy of his government; that I have been looking forward with increasing encouragement to an early period when our two great nations in particular, while other important countries are hesitating to go forward and in fact are slipping backward fundamentally with respect to their economic and standard-of-living situations, would have the opportunity, as well as the great responsibility, for world leadership with a constructive program like the

basic

basic program proclaimed at Buenos Aires for the purpose of restoring and preserving stable conditions of business and of peace, which program I elaborated on; that no two great countries have rarely had such an opportunity in these respects as seems to be ahead for our two countries and that of course it means everything from this viewpoint, as well as others, that serious military operations should not be allowed to get under way; and again I expressed my strongest approval of the disposition and self-restraint which his government is manifesting, judging by the statements of the Ambassador. He said that he would be glad to keep me advised as to any further developments of consequence. I replied that of course this country is greatly interested and greatly concerned in conditions of peace in every part of the world, and that I would welcome anything further in the way of information from time to time, and would be glad to treat in very strictest confidence any confidential information he might care to give me on the subject. I again emphasized the great injury to the victor as well as the vanquished

in

in case of any important war in this day and time, of the great concern of this government for peace everywhere and of my earnest hope that our two countries would soon find themselves in a situation to accentuate a program such as we proclaimed in the main at Buenos Aires. The Ambassador indicated his interest and approval. I concluded by thanking him for his offer to furnish further information.

C.H.

S CH:HR

COPY S HHR

Handed to the Secretary of State
by the Japanese Ambassador,
July 12, 1937.

1. In the evening of July 7, 1937 a detachment of the Japanese troops stationed at Fengtai, near Peiping, was engaged in a night maneuver in the vicinity of Lukow Kiao. At 11:40 p.m. Chinese troops under the command of Feng Chih-an (29th Army) made an attack upon the Japanese soldiers for no cause at all.

Thereupon the detachment stopped the maneuver and asked the command at Fengtai to send out reinforcements.

2. At such maneuvers, the Japanese troops ordinarily carry a very small quantity of loaded shells for use in case of emergency. In point of fact the commanding officer of the said detachment had with him loaded shells enough to be distributed one shell for each soldier, besides one box of loaded shells for the machine guns. In view of these facts, it is absolutely impossible for the Japanese soldiers to have challenged the Chinese.

3. The right of maneuver of the Japanese troops stationed in North China is clearly stipulated in the Chino-Japanese Protocol of 1902 concerning the restoration of Tientsin to China. Moreover, the Japanese authorities had informed the Chinese in advance of the holding of the maneuver in question. It is entirely groundless to say

that the recent maneuver of the Japanese troops is an unlawful act committed outside the region stipulated in the said Protocol as reported in the newspapers.

4. Since the night of July 7, the Japanese authorities have made an earnest endeavor to localize the incident and once succeeded in bringing the Chinese authorities to agree to a peaceful settlement. On the night of July 10, however, the 29th Army, in violation of the agreement, suddenly fired on the Japanese troops, causing considerable casualties. In addition, it is reported, China has been increasing the forces of the first line by ordering Suiyan troops to march south and by sending central forces and air corps to the front.

Since the night of July 10, China not only has failed to manifest any sincerity toward a peaceful settlement but has flatly rejected the local negotiation at Peiping.

5. The presence of disorderly Chinese troops in the Peiping and Tientsin area not only disturbs peace and order in North China which is of vital importance to Japan but also endangers the lives and property of the Japanese nationals there.

In the circumstances, the Japanese Government has decided to take precautionary steps to meet all situations,

including the dispatch of additional military forces to North China.

6. The Japanese Government, desirous as ever to preserve peace in East Asia, has not abandoned hope that through peaceful negotiations the aggravation of the situation may yet be prevented.

An amicable solution can yet be attained if China agrees to offer apologies for the recent lawless action and to give adequate guarantees against such outrages in future.

In any case the Japanese Government is prepared to give full consideration to the rights and interests of the Powers in China.

July 12, 1937.

DEPARTMENT OF STATE

THE SECRETARY

July 14, 1937.

For the President.

file confidential

PSF
Japan

DEPARTMENT OF STATE

THE SECRETARY

(Tuesday), July 13, 1937.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY HULL AND THE JAPANESE AMBASSADOR, MR. HIROSI SAITO.

Sino-Japanese situation.

The Japanese Ambassador called at my apartment in the Carlton Hotel at 8:00 o'clock, p.m. I had previously requested him to call at 4:00 o'clock, and he inquired from the Kenwood Golf and Country Club, some ten miles out of the city, if it would be equally convenient for him to come in tomorrow, Wednesday. An appointment was made for 10:30 a.m., Wednesday, but at about 5:30 o'clock the Ambassador was reached again on the telephone at the Kenwood Club and the appointment changed to 8:00 p.m., this evening, July 13th.

When he came in I said that I was seeking all avenues of information about the crisis in the Sino-Japanese situation and that in view of his statement to me on yesterday that he would be glad to keep me informed as to any developments I did not desire to

make

make my report on the day's developments to the President with the Ambassador and his government left off the list in this connection, and hence I had requested him to come in this evening at 8:00 o'clock. I said I could not believe that he and his government would desire to be left off of this round of conferences of today. He chimed in in agreeable language.

I proceeded then to say that to my country and government the peace situation means everything and that naturally we are tremendously concerned in every aspect of the peace situation; that whatever we say or do with respect to this Far Eastern crisis is prompted solely by considerations of peace, accompanied by the most impartial and friendly attitude towards all concerned; that amidst the confusion and fog in the Peking area it is not possible for us to discern just what is taking place and how; that, for example, we do not know whether, or at least the extent to which, conference and communication is taking place between the Japanese and the Chinese officials, or, if so, whether it is only between the Japanese and the local Chinese officials, or between the Japanese and the general Chinese Government

officials,

officials; that it is not known whether the troops of both sides have moved away from the area of conflict and where clashes between troops seem to be taking place, to the end that quiet might reign until orderly procedure for conferences could be established. I then said that with respect to the general situation the question is whether anything could or should be consistently said or done from any agreeable source that might be helpful to all concerned; that my government , of course, is primarily and paramountly concerned in the preservation of peace, and, as stated, it would confine its interest and utterances to phases entirely within the range of its impartial, friendly attitude towards all alike; that in any event whatever it might now say, if anything, in an effort to be thus helpful, would stop entirely short of any question or phase of mediation.

I again elaborated on the awful dangers and consequences of war to every part of the world alike and the impossibility of exaggerating the deep interest

of my

of my government and country in peace in the Orient at this time. In thus commenting and elaborating, I of course gave the Ambassador credit for good faith in his protestations that his government did not desire war and could be expected to come out of China in due course.

The Ambassador, when I finally called upon him to give me any news as to developments since yesterday, promptly said that he had nothing new to tell me. In great earnestness I said, "Do you really feel that war will be avoided?" He immediately replied that he believed it would be. He gave no reasons, however, and I assumed that he naturally would have made no other reply in any event.

C.H.

S CH:HR

TELEGRAM SUGGESTED BY STATE DEPARTMENT

STANDARD FORM No. 14A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

FROM The White House
Washington

JULY 15 1937

197

U. S. GOVERNMENT PRINTING OFFICE 131254

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

E B McGOVERN
SEATTLE
WASHINGTON

THE INFORMATION CONTAINED IN YOUR TELEGRAM HAS ALREADY BEEN TELEGRAPHED TO MR STURGEON AND REPRESENTATIVES OF THE BUREAU OF FISHERIES ON THE STEAMSHIP BRANT STOP WITH REGARD TO THE SUGGESTION THAT MR STURGEON PROCEED TO BRISTOL BAY BY PLANE MR STURGEON HAS BEEN INSTRUCTED THAT ANY MOVES WHICH HE MAKES SHOULD BE ON THE BASIS OF HIS OWN CONCLUSIONS IN CONSULTATION WITH REPRESENTATIVES OF THE BUREAU OF FISHERIES AND OTHERS ON THE SPOT STOP MR.STURGEON HAS REPORTED THAT THE COMMANDER OF THE COAST GUARD HAS BEEN REQUESTED TO HAVE A CUTTER MEET THE PARTY AT FALSE PASS TO EXPEDITE ARRIVAL IN BRISTOL BAY STOP THE GOVERNMENT FULLY REALIZES THE IMPORTANCE OF THE ALASKAN FISHERIES SITUATION AND IS GIVING CAREFUL ATTENTION TO THE MATTER WITH A VIEW TO PRESERVING A LEADING NATURAL RESOURCE OF ALASKA AND SAFEGUARDING THE AMERICAN INTERESTS CONCERNED

x21-M

M. H. McINTYRE
Secretary to the President

x3
x3-F
x197-A
x400 Alaska

RAC

Will you send the suggested telegram?

DDE

THE UNDER SECRETARY OF STATE

WASHINGTON

July 13, 1937

Mac
to send as
telegram

Dear Marvin:

With reference to your memorandum of July 10 and to the telegram dated July 9, received by yourself from Mr. E. B. McGovern, Seattle, Washington, I enclose a memorandum showing in considerable detail just exactly what the Department of State has been doing recently with regard to this fisheries matter. You will notice that at the end of this memorandum there is contained a suggested telegram which you may wish to send to Mr. McGovern in reply to his message to you.

I may say that the Secretary of State himself has given personal attention to this matter throughout its development and is fully aware of its importance.

Believe me

Yours very sincerely,

Enc.
Memorandum.
Telegram returned.

The Honorable
Marvin H. McIntyre,
Secretary to the President,
The White House.

x D.F. State
x108
x197

The information contained in Mr. McGovern's telegram has already been reported in telegrams addressed to the Commissioner of Fisheries by Mr. H. B. Friele, Waterfall, Alaska. The telegrams were repeated by the Commissioner of Fisheries to the Bureau of Fisheries representatives on the steamship BRANT, the Bureau of Fisheries vessel on which Mr. Sturgeon proceeded to make his investigation of the fisheries situation in Alaskan waters. The Department, in a telegram of July 9 to Mr. Sturgeon, referred to Mr. Friele's telegrams and informed Mr. Sturgeon that the Department was not disposed to instruct or ask him to take a dangerous trip by plane and felt that any moves which he made should be on the basis of his own judgment in consultation with the Bureau of Fisheries representatives and others on the spot.

Sometime before the question of Japanese participation in the Alaskan fisheries began to agitate American fishing interests on the Pacific coast, the Department of Commerce, which is the agency of this Government charged with the investigation of the technical aspects of the matter, invited the Department of State to have a representative accompany representatives of the Bureau of Fisheries who planned to proceed to Alaskan waters on the Bureau of Fisheries vessel BRANT, sailing from Seattle

July 1.

July 1. In pursuance of this invitation, this Department detailed Consul Leo D. Sturgeon of the Far Eastern Division for this purpose.

An officer of this Department is of course not qualified to make an investigation of the technical fishery aspects of the situation. However, it was felt that the sending by the Department of an officer to the Pacific coast, in response to the invitation extended by the Secretary of Commerce, would indicate the interest of this Department in the situation and would enable the representative of this Department to have the benefit of first-hand contact with representatives of the American fishing industry on the Pacific coast and in Alaska.

On June 30 Senator Schwellenbach informed the Department by telephone that American fishing interests on the Pacific coast had telephoned him that they had no confidence in the Bureau of Fisheries and requested that Consul Sturgeon (whom they had met on that day) be not sent on the Bureau of Fisheries vessel BRANT but conduct a separate investigation and perhaps proceed to Alaskan waters by airplane.

On June 30 the Secretary of State arranged with the Secretary of Commerce to have the steamship BRANT postpone its departure from Seattle while arrangements were being discussed.

On

On July 1 the Secretary of State invited Senator Schwellenbach and Senator Bone of Washington to confer in his office in regard to the situation. (He also invited Senator Pittman, who was not able to attend.) This conference was attended by the two Senators and by officers from the Department of Commerce and of this Department. At this conference the Secretary of State offered to place Consul Sturgeon at the disposal of Senator Schwellenbach to conduct the investigation in any way that the Senator might desire. The Senator did not accept this offer. It was finally arranged with the concurrence of all present that Senator Schwellenbach should arrange for a representative of the American fishing industry at Seattle to confer with Mr. Sturgeon and assist in planning Mr. Sturgeon's itinerary. As a result of this conference, it was arranged that Mr. Sturgeon should proceed on the steamship BRANT as originally planned and that he should be joined at Ketchikan, Alaska, by a representative of the fishing industry. This arrangement was duly carried out.

Referring again to the question whether Mr. Sturgeon should or should not proceed to Bristol Bay by airplane, the Secretary of State in his conference of July 1 with Senators Schwellenbach and Bone inquired whether such a flight would be dangerous and whether it would be likely

to

to be profitable. Upon receiving reply that it would be dangerous and might be altogether unproductive, the Secretary of State said that he was not disposed to instruct Mr. Sturgeon to undertake such a flight. As indicated hereinbefore, the question whether Mr. Sturgeon shall proceed by plane has been left to him for decision in consultation with Bureau of Fisheries representatives and others on the spot. Mr. Sturgeon in reply to the Department's telegram of July 9 has stated that the reports and suggestions were being considered by the members of the party, that the weather at that moment was unsuitable for flying, but that the Commander of the Coast Guard was being asked to have a cutter meet the party at False Pass and expedite his arrival in Bristol Bay.

With regard to the statement contained in Mr. McGovern's telegram to the effect that the Department of State has been apathetic toward making strong representations to the Japanese Government, no evidence has been adduced that the Japanese vessels are operating in American territorial waters (i.e., within the three-mile limit). Furthermore, the Japanese Government has repeatedly given this Government assurance that no licenses have been granted by that Government to Japanese private vessels to fish for salmon in Alaskan waters. We received the last such assurance

from

from the Japanese Government, in reply to an approach made by our Embassy at Tokyo under instruction from the Department, only a month ago. The Department has kept in touch with senators, congressmen and others concerned. It is felt that the Department has done and is doing everything that is practicable toward cooperating with the American fisheries industry and toward prevention of injury to the salmon resources of Alaskan waters.

It is suggested that the White House may wish to consider replying to Mr. E. B. McGovern substantially as follows:

> The information contained in your telegram has already been telegraphed to Mr. Sturgeon and representatives of the Bureau of Fisheries on the steamship BRANT. With regard to the suggestion that Mr. Sturgeon proceed to Bristol Bay by plane, Mr. Sturgeon has been instructed that any moves which he makes should be on the basis of his own conclusions in consultation with representatives of the Bureau of Fisheries and others on the spot. Mr. Sturgeon has reported that the Commander of the Coast Guard has been requested to have a cutter meet the party at False Pass to expedite arrival in Bristol Bay.
>
> The Government fully realizes the importance of the Alaskan fisheries situation and is giving careful attention to the matter with a view to preserving a leading natural resource of Alaska and safeguarding the American interests concerned.

file

July 10, 1937

108

MEMORANDUM FOR SUMNER WELLES x20

This is the telegram about which I spoke to you on the phone this morning.

M. H. McINTYRE
Secretary to the President

Enclosure

gmb

Tele. to MHM from E. B. McGovern, Seattle Washington 7/ 9/37 quoting tele. to Sec. Roper re Japanese factory ships located in Amer. fishing waters off Bristol Bay. Entire NW and Alaska alarmed and aroused. State Dept. apparently apthetic toward making strong representations ot Japanese Govt.

TELEGRAM

The White House
Washington

3POC 170 N.L. 11:27 p.m. Via Mackay Radio

EA Seattle, Washington, July 9, 1937

Hon. Marvin H. MCIntyre,
The White House.

Have sent following wire to Secretary Roper:

"Definite authentic information received Seattle today from Bristol Bay that despite official statements to contrary, four Japanese factory ships are located in American fishing waters, approximately 28 miles off shore with salmon gear in water and freshly caught salmon on deck. Entire population Northwest and Alaska becoming alarmed and aroused over unwillingness of some officials to recognize seriousness of situation and State Department apparent apathy toward making strong representations to Japanese Government. Bristol Bay fishermen are now in mood which might incite incidents leading to international complications. Feel it imperative State Department Investigater Sturgeon be instructed fly to Bristol Bay immediately to get first hand information while salmon operations at peak thereby enabling State Department to lay case strongly before Japanese Government. Feel sure your deep interest in fisheries will spur you to use your best efforts to bring matter into satisfactory adjustment."

Will sincerely appreciate your influence to get prompt and vigorous action. Kind personal regards.

E. B. McGovern.

File Private

Japan

DEPARTMENT OF STATE
WASHINGTON

July 17, 1937

My dear Mr. President:

I have received and have read with care your memorandum of July 14, 1937, referring to the letter and the memorandum which Mr. Welles sent to the White House under date July 13 and commenting on the Pacific coast salmon fishing situation.

The comments in our memorandum were confined to statements specially relevant to the telegram which you had received from Mr. McGovern and to the sending by the Department of a representative to the Pacific coast to look into the salmon fishing situation.

In view of your comments in your memorandum of July 14, I believe that you would wish to be further informed in regard to efforts made toward effecting an agreement with the Japanese Government, as follows:

The

The President,

The White House.

The possibility that Japanese fisheries might fish for salmon in waters off the coast of Alaska, especially in the non-territorial waters of Bristol Bay, has for several years engaged the attention of the Department of State and of the Department of Commerce. So early as 1930, the Department of Commerce pointed out to this Department that a difficult situation would be presented if Japanese vessels were to pack salmon in international waters off the coast of Alaska and shortly thereafter the desirability was suggested by the Department to the Japanese Government that the latter withhold from Japanese fishing vessels licenses to fish for salmon in Bristol Bay.

As a result of informal discussions which ensued between our Embassy at Tokyo and various Japanese officials and Japanese interested in the fishing industry, it was ascertained that the Japanese Government did not find it practicable to give this Government an informal undertaking that it would prevent Japanese fishing vessels from packing salmon in Bristol Bay but it gave informal assurances that no licenses would be issued to private Japanese fishing interests to fish for salmon in that area without previous notification having been given to this Government.

In

In the hope that some safeguarding arrangement might be made with the Japanese Government, our Embassy at Tokyo was instructed in 1935 to inquire whether the Japanese Government would be disposed to enter into negotiations with this Government looking toward the conclusion of a convention whereby Japanese nationals would be prohibited from engaging in fishing for salmon in certain non-territorial waters in Bristol Bay. The Embassy was informed by the Japanese Foreign Office that the Japanese Government would not be in position to decide whether it would enter into such negotiations until after investigations which were being made by it of the fishery resources of Bristol Bay had been concluded, and it gave further assurances that no licenses would be granted for the time being by the Japanese Government to fishing vessels to fish for salmon in waters off the coast of Alaska.

On June 5, 1937, the Department instructed the Embassy at Tokyo to approach the Japanese Government again on this subject and to propose the negotiation of a four-power convention between the United States, Japan, the Soviet Union, and Canada for the conservation of the salmon resources of the north Pacific. In the instruction, there were outlined provisions which would prohibit any of the contracting parties to fish within fifty miles of the coast of any of the other contracting parties.

On

On July 5, 1937, the Ambassador at Tokyo reported that, in pursuance of the instructions aforementioned, he had taken up the matter of such a convention with the Minister for Foreign Affairs and had orally made to the officials of the Foreign Office a statement of the case intended to induce the Japanese Government to view with favor the proposal that such a convention be negotiated. The Foreign Minister had stated that his Government would study the matter and that he would make reply as soon as possible. This phase of the matter is therefore still in an exploratory and highly confidential stage.

With regard to the matter of studying and reporting upon the question of territorial waters and habits of the salmon, we have not failed to consider the question of the three-mile limit and we are not without a substantial amount of data on the subject of the habits of salmon and other fish, their habitats, movements, feeding, spawning, etc. This Department has been given by the Department of Commerce a great deal of information on these subjects and we have had a great deal of correspondence with representatives of the fishing interests and experts on the subjects involved, and we have had conferences with a considerable number of persons from among all three of these groups. We have

long

long since arrived at a conclusion in line with the view which you express that measures for protecting the salmon are called for. Our approach to this problem through the medium of diplomatic negotiations with the governments chiefly concerned has required careful preparation and delicate handling, particularly in view of the fact that fishermen of all countries have the legal right to make their catches where and as they wish on the high seas, except as restrictions are imposed by international agreement. We do not, however, understand that the salmon resources of Alaskan waters have thus far been depleted or are in imminent danger of early depletion. While it may be true that Japanese vessels are taking some salmon, this is one of the matters with regard to which every effort is being made to obtain accurate information. We are moving toward the achievement of an agreement in reference to this situation and we hope that we can persuade the other countries chiefly concerned to enter into negotiations, particularly Japan, whose attitude is a crucial factor in the success of our plan; and we are making progress in that direction.

I shall expect to confer at any early date with the Secretary of Commerce on the subject of your memorandum.

Faithfully yours,

Cordell Hull

[PSF Japan]

197

July 24, 1937.

MEMORANDUM FOR

THE SECRETARY OF STATE. x80

The enclosed letter from the Secretary of Commerce is sent to you for consideration in connection with the President's memorandum of July fourteenth.

M. H. McINTYRE
Secretary to the President

x3

STATE -Let. from SECY. OF COMMERCE, 7/21/37, re Alaska salmon fishing by the Japanese; states no acute situation this season; favors negotiation of treaty bet. US, Japan and Canada, possibly Russia, for conservation of salmon of Alaskan waters; also favors S. 2679 and HR 7552.

x220-A

x48-B

x197-A
x108
x400 Alaska
x U. F. State
x66
x197

file

THE SECRETARY OF COMMERCE

WASHINGTON

July 23, 1937.

C. F. State

Japan folder

The Honorable,
The President,
The White House,
Washington, D. C.

Dear Mr. President:

Supplementing my letter of July 21, regarding the Alaska salmon fishing by the Japanese, the following information is submitted as having further bearing on the matter of jurisdiction over waters beyond the three-mile limit. x890

During the rapid rise of pelagic sealing, the United States undertook to establish jurisdiction over all waters in Bering Sea, and from 1886 to 1890, 20 British sealing vessels were seized by United States revenue cutters for carrying on pelagic operations in those waters. The seizure of these vessels, operating from 15 to 115 miles from land, naturally led to a controversy with Great Britain.

The discussion of the seizure of British sealing vessels and the efforts of the United States to secure protection for its fur-seal herd, led to the conclusion of a treaty in the spring of 1892, remanding the whole matter to the consideration of a Tribunal of Arbitration. This Tribunal met in Paris in the summer of 1893 to decide the matters submitted for arbitration.

One of the questions submitted was: "Has the United States any right, and if so, what right of protection or property in the fur seals frequenting the islands of the United States in the Bering Sea, when such seals are found outside the ordinary three-mile limit?" As to this point, the majority of the arbitrators decided that the United States had no right of protection or property in the fur seals frequenting the islands of the United States in Bering Sea when such seals are outside the ordinary three-mile limit.

The habits of fur seals and salmon are somewhat analagous in that they both originate in our territorial waters, spend a part of their lives in the open ocean well beyond the three-mile limit, and subsequently return to propagate in territorial waters.

x108
x400 Alaska
x C. F. State

From the decision of the arbitrators at the Paris Tribunal it appears that this Government would have difficulty in substantiating its claim to salmon in waters beyond the three-mile limit off the Alaskan coast even though it were known with certainty that such salmon had been hatched and reared in Alaskan streams and were returning to those streams to spawn.

Very sincerely,

Secretary of Commerce.

x3

file

C. F. State Japan folder

DEPARTMENT OF STATE
WASHINGTON

July 31, 1937

My dear Mr. President:

x108
x20
x3

x419
x3-E

I have received Mr. McIntyre's memorandum of July 24, 1937, and have read with care the letter enclosed therewith which was addressed to you under date July 21 by the Secretary of Commerce in reply to your memorandum of July 14, 1937, on the Pacific Coast salmon fishing situation.

I have noted particularly the statement contained in Secretary Roper's letter under reference that "Facilities have not been available for investigations in off-shore waters of the North Pacific and in consequence this Nation will be seriously handicapped in discussing a treaty covering salmon fishing beyond the three-mile limit". As it is important that this Government should be fully informed in regard to the scientific aspects of this subject prior to entering into diplomatic negotiations with foreign powers on the conservation of the salmon resources of the North Pacific, the Department is of the opinion that adequate facilities should be provided as soon as possible to enable the

The President,

The White House.

the Bureau of Fisheries to make the necessary investigations.

With reference to the statement contained in the last paragraph of Secretary Roper's letter under reference, that the Department of State should be given an opportunity to comment upon the international aspects of the legislation proposed in S. 2679 and H. R. 7552, the Department has already submitted to Mr. Bell, Acting Director, Bureau of the Budget, drafts of proposed replies to be sent to Senator Copeland, Chairman of the Senate Committee on Commerce, and Congressman Bland, Chairman of the House Committee on Merchant Marine and Fisheries, commenting upon the bills in question. In my comments I expressed sympathy with the purpose which the bills sought to achieve but I stated that the Department had come to the conclusion, after considering various difficulties which might arise in connection with the enactment of the bills and the enforcement of their provisions, that the solution was one which should be sought through the medium of diplomatic negotiations, that the Department has already taken appropriate preliminary steps to that end, and that, pending the outcome of negotiations by this Department, the enactment of such legislation, irrespective of its merits, would be inopportune.

Faithfully yours,

Cordell Hull

file Japan

August 17, 1937.

Memo to President
From Sumner Welles

In re-estimated number of Japanes emigrants who have been going to Mexico.

SEE--State Dept. folder-Drawer 1--1937

file Japan

Cordell Hull

August 26, 1937.

Telegram sent by Hull to Nanking, China

In re- steps being taken to obtain and put on record evidence of losses and damages suffered during disturbances etc.

SEE--China folder-Drawer 2--1937

file
Confidential
Japan

NPO 653

FROM: COMSUBRON FIVE
ACTION: OPNAV, CINCAF
INFO: COMDESRON FIVE, COMYANGPAT, COMSOPAT, FOURTH MARINES
AMEMBASSY NANKING, ALUSNA PEIPING

ROUTINE

ØØ28 EVACUATION ALL JAPMEN CONTINUING ORDERED COMPLETED THIRTY AUGUST EXCEPT CONSUL GENERAL AND STAFF EXPECT REMAIN PENDING FURTHER DECISION PERIOD CITY ORDERLY QUIET LOCAL GOVERNMENT REASSUMING CIVIC FUNCTIONS TENDING RESTORE NORMALCY 1145

13 ACTION (4)

Ø5 1ØA 11 16(5) 19 2Ø MARCORPS STATE CWO 38 PX

RELAYED STATE

Ø359AFMX 28 AUG/Ø5Ø7

Capt. Bartell

NPO 8488

FROM: COMYANGPAT
ACTION: OPNAV
INFO: COMSUBRON FIVE COMDESRON FIVE CINCAF COMSOPAT
FOURTH MARINES AMEMBASSY NANKING ALUSNA PEIPING
NITE

ØØ27 AIR RAID AGAIN OVER NANKING LAST NIGHT PERIOD OTHER
RIVER PORTS QUIET 2236

13 ACTION (4)

Ø432 AFMX 28 AUG/Ø5ØB Ø5 1ØA 11 16(5) 19 2Ø MARCORPS

STATE CHD .38 PX

RELAYED STATE

RECEIVED AT NAVY DEPARTMENT
NAVAL MESSAGE

COPY

NPG NR 8272

FROM COMSOPAT
ACTION OPNAV
INFO COMSUBRON 5-COMDESRON 5-CINCAF-COMYANGPAT-4TH MARINES
AMEM NANKING

NITE AG

Ø127 SITUATION UNCHANGED CANTON SWATOW AMOY AND LONTCHOW 223Ø

13 ACTION(4)

Ø5 1ØA 11 16(5) 19 2Ø

1559AH27 AUG MS MARCORPS SD CWO 38 PX

NPG 8176

FROM ALUSNA PEIPING 1937

TO NAVY DEPT ROUTINE

INFO COMSUBRON 5, COMDESRON 5, CINCAF, COMYANGPAT RESTRICTED
4TH MARINES, AM EMBASSY NANKING CHINA

ØØ27 CHINESE CONTINUE HOLDING NORTHERN END NANKOW PASS CAPTURE

KALGAN BY JAPANESE STILL IN DOUBT DESPITE LATTER ASSERTIONS PERIOD

APPROXIMATELY TWENTY (NUMBER IN DOUBT, GARBLED GROUP) TRIPLE ZERO
JAP TROOPS HAVE ARRIVED VIA MANCHUKUO SINCE TWENTY AUGUST MAKING

TOTAL ONE HUNDRED TWENTY FIVE THOUSAND FRENCH ESTIMATE ONE SIXTY

THREE ZEROS COMMA JAPS CONCENTRATIONS ALONG SINPU AND KINHAN RAIL-

ROADS SUFFICIENT COUPLED WITH INCREASED ACTIVITY TO MOP UP BANDS

IN REAR WARRANT BELIEF TWO POINT OFFENSIVE PLANNED AFTER FEW MORE DRY

DAYS CITY QUIET NEARLY EIGHT THOUSAND NIPPON TROOPS FIVE THOUSAND
~~NORXEX~~
HORSES ONE HUNDRED FIFTY LIGHT ARTILLERY NEAR TEMPLE HEAVEN HEAVY

CONCENTRATIONS ALSO FENGTAI 2Ø25
TOR IN CODE ROOM 11Ø6

DISTRIBUTION
13 ACTION
Ø5 1ØA 11 16 19 MARCORPS STATE WO 38 (RELAY TO STATE)

NPG82Ø8

FROM CINCAF
TO NAVY DEPT

1937

INFO AM CONSUL, SHAINGHAI, CHINA
COMSUBRON 5, COMDESRON 5, COMYANGPAT
COMSOPAT, 4TH MARINES, AM EMBASSY, NANKING.
ALUSNA, PEIPING.

ROUTINE

~~RESTRICTED~~

ØØ27 JAPANESE FORCES LIUHO LOTIEN WOOSUNG TRIANGLE AIDED BY HEAVY BOMBING ATTACKS AND GUNFIRE FROM SHIPS IN RIVER ADVANCING SLOWLY ATTEMPTING JOIN NORTH END LINE IN HONGKEW SECTORHEAVY FIGHTING REPORTED INDICATING SOUTHWARD MOVEMENT TEMPORARILYHHALTED BOMBING ATTACKS CONCENTRATED ON KIANGWAN NANBSIANG KATING AND TAITSANG WHICH LINE NOW HELD BY FIVE CHINESE DIVISIONS NO ACTIVITY REPORTED SOUTH OF SHANGHAI BUT REINFORCEMENTS INTO SICCAWEI HUNGJAO AREAS MADE PERIOD REPORTED TROOPS IN CHAPEI RELEIVED BY DIVISION FROM NANKING SETTLEMENT AREA GENERALLY QUIET EXCEPT FOR USUAL NIGHT AID RAIDS ON YANGTZEPOO (DISTRICT EXCEPT ?) DISTRTEXCE PLANES AND SNIPING ON NIPPON SHIPS FROM POOTUNG BOMB FROM UNSEEN PLANE EXPLODED TWO HUNDRED YARDS FROM SAIL THIRTY SEVEN AT MIDDLE GROUND BUOY AT ZERO TWO FIVE ZERO

(CON'T)

orig filed

CINCAF TO NAVY DEPT (CONT)
ØØ27 22ØØ

NO DAMAGE INVESTIGATION FIRING ON MARINE SENTRY YESTERDAY SHOWS BULLET WAS PROBABLY STRAY FROM CHAPEI 22ØØ

TOR IN CODE ROOM 1353 27 AUG 37

DISTRIBUTION

13 ACTION

Ø5 1ØA 11 16 19 38 MARCORPS STATE (RELAY TO STATE)

8222 NPG

FROM ; CINCAF
ACTION; COMSIXTEEN
INFO ; AMERICAN CONSUL AT SHANGHAI
OPNAV, AMEMBASSY NANKING CHINA

NITE (B)

ØØ27 DO NOT BELIEVE MANY MORE CIVILIANS WILL COME TO MANILA UNLESS SITUATION TAKES A DECIDED TURN FOR THE WORSE REQUIRING COMPLETE EVACUATION THERE WILL PROBABLY BE ABOUT FIVE HUNDRED DEPENDENTS OF OFFICERS AND MEN COME TO MANILA IN THE NEXT TWO OR THREE MONTHS WILL KEEP YOU INFORMED AS SITUATION DEVELOPS 16Ø5

13 ACTION
Ø5 1ØA 11 16(6)
19 2Ø STATE RELAYED
CWO 38 PX

1413 AG MX 27 AUG

file Japan

Memo from Woodring

Sept. 8, 1937

Subject--Japanese Nationals in Mexico and reported movement of Japanese to lower California and the West Coast of Mexico.

SEE--Woodring folder-Drawer 2--1937

Japan

September 18, 1937.

Memo to President
Encloses letter in Chinese(with translation) from
five Chinese business organizations in Shanghai.

SEE--China folder-Drawer 2--1937

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

1220-S

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

WESTERN UNION (23)

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

SIGNS

DL = Day Letter
NM = Night Message
NL = Night Letter
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is STANDARD TIME.

Received at 113 Cherry St., Seattle, Wash. ALWAYS OPEN

RXCDU152 79 US GOVT=SD WASHINGTON DC 29 1200P 1937 SEP 29 AM 10 25

THE HONORABLE FRANKLIN D ROOSEVELT= ★

CARE OF PRESIDENTIAL PARTY SEATTLE WASH=

SENATOR SCHWELLENBACH HAS WRITTEN A LETTER TO AN OFFICER OF THE DEPARTMENT STATING THAT FISHING INTERESTS IN SEATTLE ARE INSISTENT THAT THE GOVERNMENT SHOW WITHIN A FEW MONTHS THAT IT IS ACCOMPLISHING SOMETHING CONCRETE IN REGARD TO THE ALASKA SALMON FISHING SITUATION. AS YOU KNOW WE ARE CONTINUING TO DO EVERYTHING THAT WE CAN IN THE MATTER BUT I VENTURE TO SUGGEST THAT IT WOULD BE HELPFUL IF YOU COULD WHILE IN SEATTLE HEAR THE VIEWS OF SENATOR SCHWELLENBACH=

CORDELL HULL. x20

197

file
Confidential

Total Trade Prohibited
10 000 000

x US Share 2000 000

Restricted:

Cotton	23 000 000
Lumber	3000 000
Total	26,000,000

Estimated our share

250,000 bales
89 lb - 10 000 000
our share - 1 750 000
13 750 000

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

WASHINGTON

Japan

October 11, 1937.

IN REPLY REFER TO 18a

To: Secretary Roper

From: Mr. Chalmers

Subject: Bearing on American Trade of Japan's Restriction of Imports

In promulgating the law restricting the importation into Japan of certain products and prohibiting entirely the importation of others, effective today, the Japanese Government announced the amount of savings in foreign exchange that she meant to accomplish by these measures in the following terms, according to a cablegram from Commercial Attache Williams, dated at Tokyo October 11:

Total annual reduction in imports from all countries . . . . . or 7% of Japan's total imports last year.	not quite 54	million	dollars,
Total expected saving on cotton	23	"	"
Total expected saving on wool	17.5	"	"
Total expected saving on lumber	3	"	"
Total misc. prohibited items	10	"	"

Only on the last class of goods, namely the prohibited items, is it possible to make a fairly definite estimate of probable American loss in trade -- One and a Half to Two Million Dollars. The principal items of American export trade affected were named in our release of October 8, copy of which is attached. The only important change since then is the addition to the list of prohibited products of fresh and dried fruits (mainly lemons

and raisins) with an annual trade value from the United States of about $250,000, and canned or preserved vegetables (principally asparagus) with a trade value of $100,000.

The total saving in foreign exchange which Japan plans to make through curtailment of imports of cotton is about 10 percent of the value of total Japanese cotton imports last year. Assuming current prices, this curtailment would represent the equivalent of 4 to 5 hundred thousand bales, out of a total importation last year of about 4½ million bales. Of this total, the United States has been recently supplying 40-odd percent of Japanese imports. Unless Japan should be able to effect a very material diversion to other, nearby, growths, it is safe to assume that of the total contemplated reduction in Japanese takings of cotton, the loss to the United States would not be over 250 thousand bales during the next 12 months (or about $10.000.000.00). An offsetting consideration is the fact that Japan cannot well replace American cotton for a large part of the cotton cloth or other manufactures which she exports. However, there is no way of judging now how much Japanese exports of cotton goods are likely to be curtailed during the period ahead.

The United States has practically no interest in the Japanese import restriction on wool, most of which is obtained from Australia, with slight amounts from South Africa and Argentina.

The proposed total exchange saving on lumber imports of 3 Million Dollars amounts to about 18 percent of the total Japanese imports of all kinds of lumber from all sources,-using the term lumber in the broadest sense. Of this total, the United States has been regularly supplying well over one-half, principally Douglas Fir and related woods from our Northwest, with Canada a far second, such imports from British Columbia amount-

ing to 10 to 20 percent of the total. ~~However,~~ If curtailment were equally applied to all sources, the American lumber trade might stand to lose as much as 1¾ Million Dollars worth of trade. It is the opinion of those familiar with the trade, however, that the types of lumber supplied from the Pacific Coast, both American and Canadian, are those which are most indispensible to Japan and for which no satisfactory alternative source is available. The acutal loss to the North American lumber trade with Japan is therefore likely to be proportionately less than to the Asiatic and other usual suppliers to the Japanese lumber market.

Henry Chalmers

Henry Chalmers,
Chief, Division of Foreign Tariffs.

HC/f

file Japan

Nov. 3, 1937.

Report to SeC. Morgenthau
From Haas

Subject-Current trade with Japan and China.(Preliminary data)

SEE--Treasury Dept. folder-Drawer 1-1937

file
Japan

Nov. 12, 1937

Report to Sec. Morgenthau
From M. Haas

Subject--Current trade with Japan and China.

SEE--Treasury Dept. folder-Drawer 1--1937

Nov. 17, 1937.

file Japan

Report to Sec. Morgenthau

From Mr. Haas

Subject--Current United States trade with Japan and China (Preliminary data)

SEE--Treasury Dept. folder-Drawer 1--1937

OFFICE OF
THE COUNSELOR

DEPARTMENT OF STATE
WASHINGTON

November 24, 1937.

Dear Mr. President:

This refers to the salmon fishing industry on our west coast and particularly to the suggestions contained in your memorandum to me of November 21st and your memorandum to the Secretary and myself of November 22nd.

For several weeks, at the Secretary's request, the problem presented has been carefully studied with the result of cables being sent Mr. Grew, copies of which are herewith enclosed for convenient reference although you have perhaps heretofore seen them. The lengthy cable of November 20th containing a full statement of the case was discussed, before being sent, at a meeting here attended by Senator Schwellenbach of Washington (Senator Bone was unable because of illness in his family to be present), some of the Representatives in Congress from Washington and Delegate Dimond of Alaska, and it had their very full approval. They were advised that we would furnish Mr. Grew instructions and these are contained in the shorter cable of November 19th. They agreed with us that we should await information

as

The President,
The White House.

as to the reaction at Tokyo before determining what further should be done in the event the attitude of the Japanese Government is unfavorable, but as you will see from looking at the enclosed Bill recently introduced by Mr. Dimond, who has probably studied the situation more closely than any of the members of Congress from the Pacific coast, that such action is being thought of as you seem to have in mind. Of course, it will be urged by some, who adhere to the idea that government can be conducted on the strict basis of precedent, that such action is unwarranted and there will be others who think that it might involve us in trouble relative to the Bering Sea fur seals industry, and in our relations with such countries as Mexico where the right is claimed to control fishing much beyond the three mile limit. You will, of course, be advised of what we hear from Tokyo within the next few days, and then some of us would like to have the opportunity of taking up with you the question as to what legislation may be enacted.

The attached is the best map obtainable showing the depth contours of the Alaskan coast, which, however, are conjectural except so far as concerns Bristol Bay. It seems very certain from the information available that

a

a fifty mile limit or even a substantially higher mile limit would not effectively protect the industry. The run of the salmon into our rivers could be intercepted in Bristol Bay, for instance by Japanese fishing vessels using long gill nets, say seventy-five or one hundred miles off the coast. We can have no assurance of the industry being maintained unless the Japanese will forego their fishing activities a very considerable distance beyond the coast line. It seems to me that about the only new policy that can be thought of is one that will vest the President with authority to prevent any fishing activities that will imperil our industry which, as you state, involves among other things a very important food supply. Prior to the conference mentioned I had talked a good deal with Mr. Dimond about possible legislation and through him am keeping in touch with the other members of Congress who are manifesting a great deal of interest, and also can tell you that we have talked with some of the best posted men engaged in the industry and a representative of the Fishermen's Union.

It is proper to say that in dealing with the subject Assistant Secretaries Sayre and Wilson, Mr. Hackworth our Legal Adviser, and Mr. Sturgeon of the Far Eastern Division

have

have been steadily in cooperation with me and that all of us must be regarded as being equally responsible for what has been done. This I say in order to avoid giving the impression that I am trying to put myself at the front.

Yours very sincerely,

Roselton Moore

Ps: Since the above was dictated a cable has been received from Mr. Grew dated November 24th, a copy of which is enclosed.

You will wish to know that since we communicated with Mr. Grew we have informally advised the Canadian Minister of what we have done.

RM

Enclosures:
Cable of Nov. 20th;
" " Nov. 19th;
H.R. 8344;
Map.

75TH CONGRESS
2D SESSION

H. R. 8344

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 15, 1937

Mr. DIMOND introduced the following bill; which was referred to the Committee on Merchant Marine and Fisheries and ordered to be printed

A BILL

To protect and preserve the salmon fishery of Alaska, and for other purposes.

Whereas the salmon fishery of Alaska is an important part of our national economy, furnishing employment annually during the salmon-packing season to upwards of twenty-five thousand persons, making a product of the gross annual value of approximately $40,000,000, and supplying an important factor in our national diet; and

Whereas all salmon so packed in Alaska are hatched in the inland rivers and lakes of the Territory, where they remain for a period varying from a few weeks to three years according to the species of the salmon, and then proceed downstream to the ocean, whence they return, after a period of from two to four years, to the rivers and lakes in Alaska in which they were hatched, there to spawn and after spawning to die; and

Whereas this Government in order to preserve the Alaska salmon fishery from speedy exhaustion has for many years past, through protective laws and regulations, severely limited the taking of salmon in the waters of Alaska, has prohibited aliens from fishing therein, and, in the enforcement of such laws and regulations, has been required annually to expend large sums of money; and

Whereas foreign nationals have recently invaded the salmon fishery of Alaska by catching and taking, in the waters of Bristol Bay and Bering Sea adjacent to the coast of Alaska, large numbers of salmon, and have threatened to extend their salmon fishing and packing operations; and such operations by foreign nationals will rapidly deplete and inevitably within a few years exhaust the entire salmon fishery of Alaska; and

Whereas for the protection and welfare of our workmen and our industries, and of our whole people, it is necessary that foreign nationals should refrain, and, if they will not voluntarily refrain, should be prevented, from engaging in salmon fishing in the waters adjacent to the coast of Alaska as far as the outer limit of the continental shelf: Therefore

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That it is hereby declared to be the policy of Congress to
4 protect and preserve the salmon fishery of Alaska and to
5 prevent the depletion thereof through illicit fishing opera-
6 tions carried on by foreign nationals in the waters adjacent
7 to the coast of Alaska.

8 SEC. 2. The salmon which are spawned and hatched
9 in the waters of Alaska are hereby declared to be the prop-

1 erty of the United States, and it shall be unlawful for any
2 person, firm, or corporation to fish for, take, or catch any
3 of said salmon in the waters adjacent to the coast of Alaska,
4 except under such reasonable rules and regulations as the
5 Secretary of Commerce may provide. Jurisdiction of the
6 United States over the waters adjacent to the coast of Alaska
7 for the necessary protection and preservation of the salmon
8 fishery shall extend, subject to all valid treaties, to all the
9 waters adjacent to the coast of Alaska, east of the inter-
10 national boundary in Bering Sea between the United States
11 and the Union of Soviet Socialist Republics as defined in the
12 treaty between Russia and the United States, concluded at
13 Washington on March 30, 1867, whereby Alaska was
14 ceded to the United States, the depth of which is less than
15 one hundred fathoms, and which the President has found
16 and declared to be salmon fishery law enforcement areas as
17 hereinafter provided.

18 SEC. 3. (a) Whenever the President finds and declares
19 that in any place or within any area on the waters adjacent
20 to any part of the coast of Alaska any vessel or vessels hover
21 or are being kept off the coast of Alaska for the purpose of
22 catching or taking Alaska salmon which are en route to the
23 lakes, rivers, or other inland waters of Alaska to spawn,
24 such place or area so found and declared shall constitute
25 a salmon fishery law enforcement area for the purposes of

1 this Act. Only such waters shall be within a salmon fishery
2 law enforcement area as the President finds and declares are
3 in such proximity to such vessel or vessels that the area so
4 defined is used or is likely to be used by such vessel or vessels
5 for the fishing for, taking, or catching of Alaska salmon. No
6 salmon fishery law enforcement area shall include any waters
7 more than one hundred nautical miles from the place or
8 immediate area where the President declared such vessel
9 or vessels are hovering or being kept, and shall not include
10 any waters more than one hundred fathoms deep, or any
11 waters lying west of the said boundary between the United
12 States and the Union of Soviet Socialist Republics in the
13 Bering Sea. Whenever the President finds that within
14 any salmon fishery law enforcement area the circumstances
15 no longer exist which gave rise to the declaration of such
16 area as a salmon fishery law enforcement area, he shall so
17 declare, and thereafter, and until a further finding and decla-
18 ration is made under this subsection with respect to the
19 waters within such area, no waters within such area shall
20 constitute a part of such salmon fishery law enforcement
21 area.

22 (b) At any place within a salmon fishery law-enforce-
23 ment area the several officers of the Coast Guard or Customs,
24 or of the United States Bureau of Fisheries, or United States
25 marshals or their deputies, may go on board of any vessel

1 and examine the vessel and any merchandise or person on
2 board, and bring the same into port, and, subject to regula-
3 tions of the Secretary of Commerce, or of the Secretary of the
4 Treasury, or the joint regulations of both, it shall be their
5 duty to pursue and seize or arrest and otherwise enforce
6 upon such vessel, merchandise, or person, the applicable
7 provisions of all laws and regulations respecting the salmon
8 fishery of Alaska.

9 SEC. 4. No salmon caught, taken, or packed in contra-
10 vention of the provisions of this Act shall be brought within
11 the United States and, if any such salmon shall be so brought
12 in, the same shall be seized and forfeited to the United States.

13 SEC. 5. If the vessels of any other nation shall be used
14 in the capture, taking, or packing of Alaska salmon in con-
15 travention of the provisions of this Act, a claim for the value
16 of the salmon so taken or packed and the damages occa-
17 sioned thereby shall be presented by the Government of the
18 United States to the Government of such other nation, and in
19 event of nonpayment thereof the Government of the United
20 States shall take appropriate action for the collection of such
21 claim and may withhold, in partial or entire satisfaction
22 thereof, any sum due from the United States to such other
23 nation on any account whatsoever.

24 SEC. 6. Any person, company, corporation, or associa-
25 tion violating any provision of this Act shall, upon conviction

1 thereof, be punished by a fine not exceeding $5,000 or by
2 imprisonment for a term of not more than ninety days in jail,
3 or by both such fine and imprisonment. Every ship, boat,
4 seine, net, trap, and every other gear and appliance used or
5 employed for fishing for, catching, or taking or packing
6 Alaska salmon in any of the waters adjacent to the coast
7 of Alaska over which the United States has jurisdiction, in
8 violation of the provisions of this Act, and all fish taken
9 therein or therewith shall be seized by the officers of the
10 Coast Guard or customs, or of the United States Bureau of
11 Fisheries, or by the United States marshals or their deputies,
12 and shall be sold under the direction of the court in which
13 the forfeiture is declared at public auction, and the proceeds
14 thereof, after deducting the expense of sale, shall be disposed
15 of as other fines and forfeitures under the laws relating to
16 Alaska. Proceedings for such forfeiture shall be in rem under
17 the Rules of Admiralty.

18 SEC. 7. It is intended that this Act shall supplement and
19 not repeal any of the laws now in force relating to the salmon
20 fishery of Alaska.

Japan - 1937

MEMORANDUM:

Subject: Japanese Penetration of the Philippine Islands.

1. Events now in progress in the Far East make pertinent the inquiry as to Japanese future plans respecting the Philippine Islands, especially after independence. Certain facts are apparent from statistics. Deductions must be drawn from these facts together with indications from less tangible sources, but at best, they can be but an individual's estimate and subject to the judgment of that individual The present Memorandum could probably best be termed an "educated guess." It must be borne in mind, too, that conditions which exist at the time of independence may radically alter suppositions based upon conditions existing today.

2. Japanese Policy in the Far East.

It has often been said that Japan aims at nothing less than the hegemony of Asia, certainly of Eastern Asia. The Tanaka Memorial, a document whose authenticity is denied by the Japanese, includes the Philippine Islands in the territories that must be taken over by Japan. It must be admitted that the successive steps for the control of Asiatic territory as outlined in that disputed document, have been actually followed by the Japanese during the past five or six years. Of more tangible interest is the statement by the Japanese Foreign Office in 1934 warning against participation by other nations in Chinese affairs, as well as the constant reiteration of the so-called Japanese Monroe Doctrine in the Far East, by Japanese officials and the Japanese press. It is believed reasonable to assume that those in authority in Japan are essentially united in the idea of Japanese expansion in the Far East, although there are noticeable differences in opinion as to the manner in which it should be accomplished. The Foreign Office, mindful of world public opinion, would accomplish the purpose slowly and diplomatically, a comparatively short step at a time, consolidating each step before taking the next. In recent years, however, the Foreign Office has had but little influence in the determination of national or international policies. The Army, which is at present the dominating force in the Japanese Government, believes in immediate, direct action on the mainland of Asia, such as was seen in Manchuria in 1931 and such as is now in progress in China. The Navy, from the very nature of its service, believes that expansion should first take place in the "South Sea Islands", in which designation the Philippine Islands are included. In this connection, it should be remembered that the Army and Navy are bitter rivals for power, prestige - and appropriations.

3. Japanese Population in the Philippines.

The present Japanese population in the Philippines is stated variously as being between 18,000 and 24,000, some 13,000 of whom are concentrated in the city of Davao, Mindanao. Unofficial estimates place the total as high as 40,000. While the total fluctuates year by year, due chiefly to labor conditions in Japan and in Davao, it appears certain that the number is slowly but steadily increasing. It should be noted that up to the present there have been no immigration restrictions on the Japanese such as obtain in the case of Chinese.

It has often been said that there is no great danger of any appreciable immigration of Japanese into the Philippines because the Japanese dislike and cannot withstand a tropical climate. The few Japanese living in Formosa has been cited as an example of this. That statement is only partly true. While the Japanese do prefer their own climate, climatic conditions have not prevented them from settling in Davao where economic conditions have proved favorable to them, while thousands of square miles of thinly populated inland Mindanao are cool enough even for a Caucasian.

As for Formosa, it must be remembered that it is thickly populated by Chinese, whose low standard of living and aptitude for hard work make it impossible for the Japanese to compete with them economically.

4. Economic Penetration.

As is well known, the overpopulation of Japan, its restricted area of arable land and its paucity of natural resources, make industrialization of the country necessary if it is to survive as a first class power. Industrialization, in order to be successful, requires a certain (and cheap) source of raw materials and a market for manufactured products. These requirements form the basis of Japan's foreign policy, and her efforts to satisfy them have caused repercussions throughout the entire world. It is only natural that the Philippine Islands whose northernmost point is only some 60 miles from Japanese territory, should be included in the Japanese plan of economic expansion. It is interesting to note the progress already made along this line.

(a) General Trade.

Although under the handicap of an average duty of 30% while the United States has free trade, Japan has already secured more than 13% of the Islands' import trade as compared with 61% from the

United States. It is significent, in this connection, to note that only 5.68% of Philippine exports go to Japan, while the United States takes 78.8% (1936 statistics). Even with the duty, Japanese prices for the thousand little things the average Filipino is able to buy are about half American prices for similar, though better made, articles. Japanese beer even undersells the Philippine manufactured product. Cotton and rayon textiles comprise some 93% of imports from Japan, although there is a growing import of iron and steel manufactures, coal, fish, wheat flour and procelain as well as lesser items.

It is interesting to speculate as to the future of Philippine trade when the present free United States market is closed. A noted Filipino economist has said that under such conditions, Philippine exports will decline 70%. On the other hand, with Japan and the United States on equal tariff terms and with the greatly decreased purchasing power of the Filipino people, it may be confidently expected that imports from Japan will eventually monopolize the Philippine market.

(b) Retail trade.

It is a sad commentary on Filipino enterprise to note that the retail business of the Islands is almost entirely in the hands of foreigners. Apparently the best Filipino brains go into politics and the professions, especially law, leaving sordid business matters to the willing foreigner. For decades the Chinese have dominated the retail trade of the Islands. With their natural shrewdness, their extremely low cost of living, their thorough knowledge of their customer's wants and their willingness to take small profits on a large turnover, the Chinese small merchants apparently had no real competition in supplying the daily needs of the millions of Filipino people. Unfortunately for them, they allowed their patriotism to interfere with their business affairs. In conformity with the boycott of Japanese-made goods then prevalent in China, they refused to handle the cheap Japanese goods and continued this policy long after the boycott in China had ceased.

The Japanese were not slow to take advantage of this opportunity. With their superior organization and capital, they went after the business along well-conceived lines. Large distributors were stationed in such large centers as Manila, Davao, Cebu, Iloilo and Zamboanga, and Japanese nationals were encouraged by long term credits to start retail stores in every town of any importance. Some of the larger stores use trucks which travel into the provinces and peddle goods from house to house, underselling the Chinese or

Filipino merchants from 15 to 30%. The Chinese merchant can only offer cheap German-made goods which are not cheap enough to compete with similar Japanese-made articles. As a result of this well-planned campaign the percentage of the total retail trade in the hands of Japanese, starting at a negligible amount reached 25% in 1933 and 35% in 1935, the Chinese part in 1935 being 40% (Dept. Commerce, 1936). If (or when) free trade with the United States ceases, the Japanese percentage seems certain to increase enormously.

The Philippine Government is aware of the disadvantage of having the retail trade of the Islands monopolized by foreigners and is making a belated effort to increase Filipino participation. The government sponsored NEPA (National Economic Protectionism Association) has initiated a "Buy Filipino" campaign, for the purpose of persuading the Filipino people to buy more home products. Bills have been introduced into the National Assembly which would prevent foreigners from participating in the retail trade of the Islands. Such a measure, however, would be certain to arouse not only the opposition of foreign countries affected but probably of a large part of the consuming public as well. Brains, organization and capital, plus a long sustained effort will be necessary before the Filipinos can hope to capture an appreciable amount of their own retail trade.

(c) Fisheries

The Filipinos are a fish-eating people and Philippine waters teem with fish, yet they imported in 1936, $1,529,408 worth of fish and fish products, 25% of which came from Japan. The fishing industry in Philippine waters is almost entirely in Japanese hands. Japanese modern methods, organization and capital have proven too much for the Filipino's age-old methods, and it is difficult to see how the Filipinos can recover what should be essentially a home industry.

Some unfortunate incidents have already arisen in connection with the fishing industry, which indicate potential trouble in the future, especially after independence. The Kaiun Maru incident in 1924, when Philippine officials were thrown overboard by the crew of the vessel, is the most striking, although not the only, example of its kind. Those familiar with Japanese penetration in the Far East know that the most objectionable class of Japanese flock to neighboringcountries where their conduct is most overbearing toward the natives and is frequently an embarrassment to the Japanese Government. Such people, called by the Japanese "ronins", or masterless men, if caught in their illegal operations, rely, usually with good reason, upon their government for protection. After United States protection is withdrawn from the Philippines, serious trouble may be apprehended from this source.

(d) Davao - A few Japanese laborers who had been working on the Benguet road went to Davao in 1904. Now, a flourishing colony of some 13,000 Japanese, it affords an excellent object lesson of what Japanese penetration may do in the future. Japanese thrift and enter-

prise have made Davao a minature Japanese city, from which it will be difficult to oust them. Roads, temples, schools hospitals and newspapers have been established and every indication points to permanent occupancy. Hemp is the great industry, the Japanese producing about 80% of the total production of Davao province. They are said to have invested some $25,000,000 in Davao province, and control more than 100,000 acres of land. Of considerable significance is the Japanese claim that 4,000 of their nationals have been killed by hostile tribesmen since this development was started.

Filipino officials claim that a large percentage of the land controlled by Japanese is held illegally. The very difficult question then arises as to what the Philippine Government is going to do about it, a question which will acquire added gravity after independence. It is difficult to conceive of the Japanese giving up anything they have once acquired, while the new Philippine Government will have a difficult problem in preventing them from acquiring future holdings by methods which they have used in the past. Here lies a source of future trouble between a strong power on one hand and a comparatively weak one on the other - for "incidents" which may have far-reaching results.

It is to be noted that Davao is only 500 miles from the Japanese mandate island, Palau.

5. Political Trends

The "Asia for Asiatics" slogan of Japan has its followers among the Filipinos, its doctrine of racial equality especially appealing to them. Much is being made by the Japanese of the similarity of the two countries' culture, especially by such organizations as the Philippine Society of Japan under the presidency of Marquis Tokogawa and the Philippine-Japan Society of Manila whose president is Assemblyman Kalaw. The President of the Philippine Chamber of Commerce has said that "the endeavor of the Chamber, as America withdraws, will be to cultivate and stabilize our commercial relations with other countries, Japan foremost among them" A Manila newspaper says - "Our old bridges have been burned; our new bridges must be Oriental."

Naturally, Japanese officials have been very restrained in their remarks on Japanese-Filipino relations. The Japanese

Consul General in Manila in a speech, however, warned the Filipinos against a continuance of free trade with the United States after independence, hinting that such action might affect the question of neutralization of the Islands.

6. What Japan Wants in the Philippines.

Japan needs markets and raw materials. She needs also materials that will bring a quick profit, so as to recoup to some degree her expenditures for her imperalistic ventures on the mainland of Asia. The Philippine Islands promise a fruitful field for both markets and raw materials.

(a) Markets -

Even after paying an average of 30% duty, Japan's share of the Philippine import trade is some 13%. Should there be a cessation of free trade between the Philippines and the United States, that percentage would increase tremendously. On the other hand, without the United States market, the purchasing power of the Filipino masses would be appreciably reduced. Japan visualizes the Philippines as a source of raw materials and a market for her manufactured goods.

(b) Raw materials -

Hemp - Japanese already control the hemp trade of the Islands.

Lumber - Philippine lumber, in the form of logs, is already a considerable factor in Japanese imports.

Cotton - Japan is constantly seeking for cotton outside the United States, this being one reason for her present venture into North China. Many Filipinos believe that their economic salvation after independence would be to raise cotton for the Japanese market to take the place of the sugar industry. It appears very probable that cotton could be grown profitably in the Islands, especially on land under Japanese control. Whether Filipinos could grow it profitably with Japan as the only market, appears questionable.

Minerals - The Islands have several minerals useful for Japan. Gold, of course, is welcome in any country. Iron is especially needed, and there is already an importation into Japan of

some 400,000 tons of ore in 1936, which will probably increase to between 500,000 and 600,000 tons in 1937. Chrome is also a vital necessity to Japan, and she has already made arrantements for a large percentage of the Philippine output. Copper, too, is being imported although yet in small quantities. Manganese, though as yet in limited quantities, finds a ready market in Japan.

Future Philippine history depends, to a large extent, upon the method adopted by Japan to secure for herself the benefit of Philippine markets and Philippine raw materials. Should she follow the ordinary methods of commerce, well and good - for the Filipinos. However, in these days of economic nationalism, some nations appear to think that political control of the source of supply is necessary. Japan, by her action in Manchuria and China, has shown that she is an active exponent of that theory. Therein lies a grave danger for an independent Philippines.

7. Conclusions

From the above considerations, it is reasonable to infer that, pending independence, Japanese penetration of the Philippine Islands will pursue the present even tenor of its way. After independence, and especially after the cessation of free trade with the United States, the picture will change radically. The big money crops, such as sugar, coconut oil, tobacco, embroideries, etc. will be totally lost, and there are no markets other than the United States for them. While it has been suggested that new industries such as coffee, cacao, cassava, rubber and cotton may be developed to take their place, it must be remembered that it took twenty years to develop the sugar industry, and many years must elapse before any new industry could be economically profitable. The Philippines are essentially agricultural, and the only remaining market will be Japan, which could use rubber and cotton, hemp and lumber, but has no use for sugar, coconut oil, copra, tobacco, or embroideries.

When no longer handicapped by the advantage which the United States has in free trade, Japanese imports will, undoubtedly monopolize the Filipino markets, particularly as her cheap articles will appeal to the lowered purchasing power of the Filipino masses.

Whether Japan will dominate the Philippines politically as well as commercially, will depend upon circumstances existing after independence. If political domination is necessary for economic domination, then it seems most probable that the necessary steps will be taken to that end. It is conceivable, too, that strategic

necessities at some future time, may necessitate the conversion of the Philippines into another Korea or Manchukuo. So far as can be seen now, there is nothing to prevent such a catastrophe.

Whatever the outcome of the present struggle in China, Japan is certain to emerge much weakened financially. Her factories must work overtime in order to regain former markets and secure new ones. Her necessity for markets and raw materials will be even more acute than at present, and it may be expected that the pace of her economic penetration of the Philippines will be accelerated.

Without a preferential tariff rate with the United States, the Philippines are doomed to economic domination by Japan, and will be very lucky to escape political domination as well.

Charles Burnett

Charles Burnett,
Brigadier General, U. S. Army,
Chief of Bureau of Insular Affairs.

THE COUNSELOR OF THE DEPARTMENT OF STATE
WASHINGTON

November 26, 1937.

Moore

Dear Mr. President:

The article on Japanese poaching in Alaskan waters seems to me a pretty good discussion of the problem we are dealing with.

Yours very sincerely,

R. Walton Moore

Enclosure:
Readers Digest,
December, 1937.

The President,

The White House.

Japanese Poaching in Alaskan Waters

By

Marc A. Rose

"THE BERING SEA has become an arm of Tokyo Bay," says a pamphlet recently published in Japan. Backing the provocative words with action, a fleet of 101 Japanese vessels this summer strung fishing gear for 200 miles along the coast of Bristol Bay, Alaska, incomparably the best salmon fishing region in the world. Ostensibly they were after crabs, but Alaskan fishermen suspected the Japanese plan was to stand outside the three-mile limit and pack salmon aboard floating canneries.

Despite Tokyo's official denials, the Alaskans were right. One Japanese "mother ship," the *Taiyo Maru*, was seen from the air to have some 20,000 fresh-caught salmon spread on its decks. It was seen again half-loaded, judging by its water line, with wooden cases of canned salmon still on deck. Planes with Bureau of Fisheries and State Department observers aboard swooped down within 100 feet of the Japanese vessels, low enough to identify salmon nets and even to read labels on the packing cases. There are photographs. Another floating cannery, said the Coast Guard, had "drift nets as far as the eye could reach." Crab nets do not float. Says Frank W. Bell, Commissioner of the Bureau of Fisheries, "Undoubtedly the Japanese have been chiseling; they have not lived up to their assurances."

Our own citizens are only allowed to fish in Bristol Bay with nets 900 feet long, of 5-inch mesh, between certain dates and on certain days of the week. Even then, they may take only half of the schools, permitting the rest to escape upstream and spawn. That isn't the Japanese way of fishing. The Japanese ships laid impassable nets three miles long in the fish migration lanes. Then they set gill nets (of unknown mesh) in V traps seaward from the barrier. This is a murderous salmon trap.

Did the Japanese stay outside the three-mile limit? Who knows? These are among the loneliest waters on earth. Once a month in summer the mail steamship passes. Coast Guard vessels patrol at irregular intervals. Between these visitations, anything can happen.

The Alaskan pack of salmon was worth $50,000,000 last year, built up to that all-time peak by rigid conservation measures. The industry employs 17,500 men; it provides half the income of Alaskan residents, pays 75 percent of the Territory's taxes. Salmon alone have produced a third more revenue than gold and all other miner-

als combined, shipped from Alaska since 1867.

It is no wonder, then, that protests poured into Washington and that mass meetings on the West Coast passed angry resolutions. The situation has the makings of a first-class international row, as serious as our troubles with Japan over immigration.

Our State Department professionally deprecates the excitement. It had official word from Tokyo that no licenses were issued to Japanese vessels for salmon fishing in Bristol Bay this year and that none will be issued at least until 1939 — cold comfort at best. But hard-headed fishermen were not reassured. The kind of nets the Japanese used and the extent of their operations convinced Alaskans that the invaders had not come merely to pack the giant crabs, which for some reason our canners neglect. And eventually their suspicions were confirmed.

Appearance of the fleet was not a complete surprise. Last year, the *Hakuyo Maru*, a Japanese government ship with a complement of scientists, spent some time in Bristol Bay. It packed 600 cases of salmon, experimentally. It was back again this year. The Japanese Diet had made an appropriation for a three-year investigation of the commercial possibilities of deep-sea fishing in the region. Tokyo said operations in 1937 were to be merely part of the three-year research program. "Research, with 101 vessels?" Alaskans asked.

The two governments have been polite and punctilious. Private citizens have not been so discreet. There has been fiery talk by our people in which the ugly word, "boycott," has bobbed up. Japanese commercial interests have used irritating language. The "Society of Oceanic Fishing Promotion," with its offices in the same Tokyo building that houses the Japanese salmon canners, issued a pamphlet strongly asserting Japanese rights to fish anywhere in international waters, and ridiculing the contention that Bering Sea salmon are American property.

Then there was T. Takasaki, manager of a large Japanese can manufacturing company. He appeared in Seattle early this year with a long memorandum which he presented to a meeting of American salmon fishermen and canners.

God had not given Japan great natural resources, said Mr. Takasaki's document, but God had evened up by endowing the Japanese with a remarkable talent for fishing. Evidently it was God's intent that the Japanese should develop their unique talent to the utmost to take care of Japan's millions of people. The only opportunity left for further expansion of Japan's fisheries is in the deep seas. That is why the Japanese have perfected the floating

cannery, which has been a great success. It was so efficient in salmon fishing off the coasts of Kamchatka that the shore canneries, also Japanese-owned, suffered and complained. Whereupon the government made the shore and floating canneries consolidate into one monopoly, with curtailment of offshore operations. Since that time, no less than ten "out of job" deep-sea canners have applied to the government for license to fish off Alaskan coasts.

Japanese labor is very cheap — men on the cannery ships get $39 a month out of which they feed themselves, said Mr. Takasaki. (He exaggerated the wages.) Would it not be mutually profitable, Mr. Takasaki asked, for American and Japanese capital to combine and operate off Alaskan shores, the Japanese to supply ships and labor?

Mr. Takasaki never hinted in any way that he represented the Japanese government, but knowing the relations between government and big business in Japan, his hearers drew their own inference. Japan was proposing to participate in fisheries that exist solely because of our conservation laws. Mr. Takasaki didn't say, "Share — or else —" but this year's fleet suggested the alternative he possibly had in mind.

To understand the angry consternation on our Pacific Coast, remember that of all fish, salmon are the most vulnerable to the attacks of man. We have proved that to our sorrow and we have repaired our ravages only by dint of long self-discipline.

Every salmon is born an orphan. The parents scoop out hollows for the eggs in the gravel bed of a clear stream or lake, then cover them, and stand guard together until both die. The young fish make their way to the sea while they are still midgets. Some years later, they reappear in great schools, fight their way past rapids and falls sometimes for a thousand miles up the stream in which they were born. They eat nothing after they leave salt water, so that they steadily become thinner and weaker. Arriving at their birthplace, they spawn and die. Pink salmon live for two years, red salmon for five, some other kinds for three, but for each variety, the life cycle is rigid and unvarying. Their annual arrival can be forecast almost to the day. Close the mouth of a stream with nets — cork it, as the fishermen say — and you will catch all of that year's run. But two years or five years later, you will get none. Literally *none*.

Salmon are not only easiest to net, but are best to eat just as they enter fresh water. It is true also — surprising as it may seem — that if too many fish go upstream to spawn, the result will be fewer young fish, not more. Around these

two basic facts we have built our conservation measures. Fishing is permitted in Bristol Bay only in specified areas near the shore and only with gill nets. Half of the fish must be allowed to escape. Government men with counting machines keep tally as the salmon swim past a submerged white board in a narrow gate. The nearby cannery packing the fish from that stream reports its catch daily. It must not run ahead of the number of fish that escape upstream. If it does, the cannery must close until the count is evened up.

Now if foreign fishing boats should stretch great nets three miles offshore, this conservation system would be completely upset. There could be no check-up of the fish they were taking. Worse, the offshore nets would take not merely the full-sized salmon driven to the river mouths by the spawning instinct, but perhaps the smaller fish. Apparently this is what happened off Kamchatka. Japanese scientists themselves report that the average size of salmon caught there decreased steadily when the floating canneries went to work. If Japan would only apply our conservation regulations to her own salmon fisheries, she would not need to fish in our waters.

The Alaska Fishermen's Union telegraphed Washington that it believed the Japanese would destroy Bristol Bay salmon fishing in five years — one cycle for the red salmon. That probably was exaggeration, but the threat is serious enough. The runs would not have to be wholly wiped out to make the shore canneries unprofitable. Even disregarding conservation, we cannot operate deep-sea floating canneries. Our seamen's labor laws would make them much more expensive than shore canneries.

Well, what can be done?

There are precedents, but they are distinctly unhelpful.

Take the case of the fur seals. They also return annually from the open sea to their home grounds to breed. The rookeries are on United States territory. Japanese, Russian and Canadian vessels, unable to land crews on our soil, used to hover offshore and kill the seals as they migrated, and also kill them when they left their young and swam out for food. They drew no sex line, and every female slaughtered meant that a pup, born or unborn, must die. They recovered not more than one out of four seals killed; the bodies would sink before they could be reached by the boats. The seal herds were being exterminated.

The United States asserted that the seals were American property, since they bred on American soil. This claim was disallowed when the matter went to international arbitration. Canada, having no rookeries of her own, demanded

compensation if offshore sealing was to be abolished by agreement. The upshot was that in 1911, the United States and Russia agreed to pay both Japan and Canada 15 percent of the value of the yearly catch. The United States patrols the waters, does the killing and markets the furs. The Pribilof Islands herd has been built up from 215,000 in 1912 to 1,800,000 in 1937. Meantime, we have taken 700,000 pelts.

The Japanese apparently believe they can muscle their way into the salmon fisheries in the same way; between extermination of the fisheries and sharing them, we might well choose to share. That something like this is in the Japanese mind is evident from the fact that they have made direct allusion to the precedent, pointing out that an international tribunal rejected our claim that the seals were our property, and remarking that our claim to the salmon is just as tenuous.

The difference to us is that all parties profited by the sealing treaty; by coöperation, the herds have been built up. But the salmon runs already have been restored entirely by our own action. The Alaskan pack of 8,300,000 cases in 1936 is believed to be the maximum attainable on a permanent basis. Any concession to Japan therefore can do nothing for us, and must come out of our pockets.

Another precedent distinctly embarrassing is our own insistence on the right to fish wherever we please, so long as we stay three miles offshore. It happens that our fishermen persistently take tuna just outside the three-mile limit on the west coast of Mexico. Mexico doesn't like it, and has said so on numerous occasions.

One suggestion already made is that we negotiate an international salmon agreement. The Japanese are willing enough; Dr. Seiji Konda of the Japanese Department of Agriculture proposed in August, 1936, that the United States and Canada join with Japan in a "scientific investigation of eastern Pacific fisheries." But Japan has nothing to trade for any salmon concession; we shall merely be buying her off.

If we decide to do so, there are, however, some relatively inexpensive offers we might make. Our laws now do not permit the Japanese to ship directly to our ports the crabs they catch and can in Bristol Bay. Although we buy the greater share of the pack, it first has to be taken to Japan. We might permit it to be brought here direct, saving the Japanese the cost of freight. Most of the swordfish we eat comes frozen from Japan, whether you know it or not. A tariff concession on swordfish would affect comparatively few fishermen here and very little invested capital.

Retaliation, of course, is possible. Despite our own big pack, we are Japan's best customers for canned salmon and canned crabs, next to the British Empire. Canada might persuade Great Britain to join us in refusing to admit Japanese canned seafood unless Japan kept her salmon canneries on the other side of the Pacific. Canada's interest is already manifest; if the Japs get away with it in Alaska, there is nothing to stop them working further down the coast. But the difficulty is that Great Britain is touchy about Japan and eager for cheap food.

One constructive solution would be a treaty to include all the north Pacific powers — Japan, Canada, Mexico, the Soviet Republics and the United States — binding all parties to the same conservation measures. Failing to coöperate, Japan would appear in a bad light before the bar of world opinion. But this is not too hopeful an idea; Japan has refused to sign the whaling convention which every other nation concerned has accepted. And her regard for world opinion, judging from recent events, is small.

Senator Lewis B. Schwellenbach of the State of Washington suggested to the Senate that Canada and the United States might write new international law by jointly declaring the whole continental shelf to be their exclusive fishing area. Anthony J. Dimond, Alaskan delegate in Congress, thinking along somewhat the same lines, introduced such a bill on June 17, just a week after the big Japanese fishing fleet appeared.

Bristol Bay is 150 miles across, and 150 miles long. Here is a body of water entirely inside American headlands and in no place 600 feet deep, yet if the three-mile convention be accepted, most of its 10,000 square miles are international waters, the high seas.

Whereabouts of the salmon between spawning runs used to be a mystery, but the best scientific opinion now is that they never go out to the deeps, but spend their lives in comparatively shallow waters.

With this background, consider Mr. Dimond's bill. It declares the salmon spawned and hatched in the waters of Alaska to be the property of the United States. Jurisdiction of the United States for the protection of her salmon industry shall extend in all cases four leagues (12 miles) seaward and also to all waters off the coast *that are less than 100 fathoms deep.* (That means all of Bristol Bay, and the halibut banks to the southeast.) In the enforcement area, officers of the Coast Guard or the Bureau of Fisheries may board and examine any vessel, and, if it has been violating fishing regulations, confiscate it, its gear and merchandise, and fine and imprison its owners and operators.

If such a law were upheld, it would protect not only the salmon, but also the halibut fisheries which the United States and Canada are successfully rebuilding through a treaty which gives the International Halibut Commission broad powers to enforce closed seasons, closed areas, type of fishing gear and maximum catches.

Practically all halibut are taken outside the three-mile limit; the fish hover just on the edge of the continental shelf. Last spring, the *Thorland*, a Norwegian trawler backed by British capital, prepared to enter the Pacific and catch 2,000,000 pounds of halibut, 10 percent of the total U. S.-Canadian quota for the year. (American fishermen are not allowed to use trawlers, by the way.) The Canadian government did some diplomatic work in London, and the threat was averted, for the present. But when will some other nation decide to strip the halibut banks? For that matter, if we buy off Japan in the salmon fisheries, how long before another nation has to be bought off?

The Dimond bill copies faithfully the language of the Anti-Smuggling Act of 1935. Long hearings on that bill went deeply into the traditions of the three-mile limit. The leading experts on international law agreed pretty well that there is nothing sacred about three miles. Several nations assert their complete territorial authority far beyond that belt. Nearly all nations extend their authority farther for special purposes, as distinct from waters in which their authority is as complete as it is on shore. Our own customs vessels, for example, maintain their right to visit vessels 12 miles at sea. The most important decision on which Congress relied in drawing the Anti-Smuggling Act was handed down by John Marshall in 1804. The Portuguese government had seized the *Aurora*, an American ship, more than 12 miles off the coast of Brazil and on discovering that she was engaged in illicit trade — which meant merely that she was attempting to trade with a Portuguese colony — confiscated her. The great Chief Justice ruled that Portugal was wholly within her rights: a nation's "power to secure itself from injury may certainly be exercised beyond the limits of its territory."

"If that is good doctrine in dealing with violators of customs laws, why isn't it a sound way to deal with violators of our fishing laws?" Mr. Dimond wants to know.

The answer probably is that it is just fine — if we are prepared to make it stick.

◆

Defeat isn't bitter if you don't swallow it.

Does the U.S. Want a Labor Dictator?

Condensed from Liberty

William Green
President of the American Federation of Labor

THE United Automobile Workers, at their recent convention in Milwaukee, endorsed the sit-down strike as "Labor's most effective weapon against the autocracy of industry."

This, to me, indicates an alarming situation. The sit-down strike has been declared illegal by the courts. It has been condemned by public opinion. It connotes a desire to bargain by violence, to use force in the taking of public and private property, to take the law into one's own hands in defiance of the government and without regard to the rights of others.

The endorsement of this weapon places a labor union outside the pale of law and order. It shows a contempt of our courts and of the agencies created by the Constitution to preserve human rights. It sabotages collective bargaining. It destroys all the effects of the Wagner Labor Relations Act. It hits democracy in a vital spot and prepares the way for the man on horseback.

If these ideas were carried out on a national scale, if workers all over the country should seize the property of industry, Fascism would be inevitable. History proves this. The workers of Italy seized the plants of their employers some years ago, and held them until the helpless employers appealed to Mussolini.

Public opinion will not support the sit-down strike in this country. If any group attempts to impose it, the government of the United States, which represents public opinion, must take action, and the government is bound to win. It cannot surrender to any element. It must maintain its power, or it cannot remain the government.

Labor can never win with public opinion against it. As a result of sit-down strikes, and as a result of an unlawful march on the city of Lansing, and the turning off of an entire community's gas, light, and electric power, Michigan legislators and Congress were in a mood to strait-jacket all labor unions, including legal, honest, law-abiding organizations.

Another alarming issue that has arisen is that of control. Should there be autonomy within the union, or should it be controlled from the top? Should the leaders be elected by the members and be responsible to them — or be appointed by John L. Lewis and the Committee for Industrial Organization?

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(Liberty, October 16, '37)

Japan

December 4, 1937.

Memo for Pres.
From Sec. Morgenthau

In re-Current United States trade with Japan and China-
Report os preliminary for first four weeks of November.

See Henry Morgenthau-Drawer 1--1937

Jakan Hackworth. [1937?]

The following does not purport to be more than a very brief summary of the rights and duties of neutrals and belligerents under international law, with reference to (1) Blockade, (2) Contraband, (3) Continuous Voyage, and (4) Non-Intercourse. Volumes have been written on each of these separate subjects.

1. Blockade:

A belligerent power has a right to blockade the ports belonging to or occupied by the enemy. Article 18 of the Declaration of London (1909)* states that "The blockading forces must not bar access to neutral ports or coasts." The blockade in order to be binding must be effective, -- that is to say, maintained by a force generally sufficient to prevent access to the coast of the enemy. There must be notice of the blockade, either actual or constructive, and it must be applied impartially.

Neutral vessels are under a duty to respect a blockade so maintained. If they fail to do so, with knowledge of the blockade, they may be seized and condemned. Capture for breach of blockade must take place within the area of operations of the war ships detailed to render the blockade effective, or in the course of continuous pursuit, which cannot be longer than the end of the particular voyage. A belligerent is required to take a captured neutral vessel into port for prize proceedings, except where the vessel would be liable to condemnation and the taking of it into port would involve danger to the war ship, or to the success of the operations in which she is engaged at the time. Before sinking a neutral vessel under the circumstances just indicated, all persons on board must be placed in safety. If a vessel attempts to

* Not ratified, but regarded as an authoritative statement of the law.

escape, it may be chased and compelled by force to bring to, and it can not complain if, in the endeavor forcibly to compel her to bring to, it is damaged or accidently sunk.

2. Contraband:

A belligerent has a right to search and seize on the high seas, or in the territorial waters of the belligerents, a neutral vessel engaged in carrying contraband to the enemy. It also has the right to seize and condemn contraband property, and to condemn the vessel if more than fifty per cent. of the cargo is contraband. (Art.40, Declaration of London). Whether or not goods are contraband is generally determinable by (1) the character of the goods, and (2) their destination. No goods may be treated as contraband unless they have an enemy destination. Contraband may be (1) absolute (articles used exclusively for military purposes in time of war, or (2) conditional (articles susceptible of use in war). In order to justify seizure of absolute contraband, it is necessary only to prove that the goods were destined for enemy territory. On the other hand, to justify the seizure of conditional contraband, it is necessary not only to prove that they are destined to enemy territory, as above, but also that they are intended for the armed forces, or the government of the enemy, i.e., combatants.

A belligerent has the right to determine what goods shall constitute contraband subject to certain limitations. A neutral has the right to insist that

contraband

contraband lists shall not be too all-inclusive. The London Naval Conference listed articles that might without notice be treated as absolute contraband and articles that might without notice be treated as conditional contraband.

The following were listed as absolute contraband:

"1. Arms of all kinds, including arms for sporting purposes, and their distinctive component parts.

"2. Projectiles, charges, and cartridges of all kinds, and their distinctive component parts.

"3. Powder and explosives specially prepared for use in war.

"4. Gun-mountings, limber boxes, limbers, military waggons, field forges, and their distinctive component parts.

"5. Clothing and equipment of a distinctively military character.

"6. All kinds of harness of a distinctively military character.

"7. Saddle, draught, and pack animals suitable for use in war.

"8. Articles of camp equipment, and their distinctive component parts.

"9. Armour plates.

"10. Warships. including boats, and their distinctive component parts of such a nature that they can only be used on a vessel of war.

"11. Implements and apparatus designed exclusively for the manufacture of munitions of war, for the manufacture or repair of arms, or war material for use on land or sea."

The following were listed as conditional contraband:

"1. Foodstuffs.
"2. Forage and grain, suitable for feeding animals.
"3. Clothing, fabrics for clothing, and boots and shoes, suitable for use in war.

"4. Gold and silver in coin or bullion; paper money.

"5. Vehicles of all kinds available for use in war, and their component parts.

"6. Vessels,

"6. Vessels, craft, and boats of all kinds; floating docks, parts of docks and their component parts.

"7. Railway material, both fixed and rolling-stock, and material for telegraphs, wireless telegraphs, and telephones.

"8. Balloons and flying machines and their distinctive component parts, together with accessories and articles recognizable as intended for use in connection with balloons and flying machines.

"9. Fuel; lubricants.

"10. Powder and explosives not specially prepared for use in war.

"11. Barbed wire and implements for fixing and cutting the same.

"12. Horseshoes and shoeing materials.

"13. Harness and saddlery.

"14. Field-glasses, telescopes, chronometers, and all kinds of nautical instruments."

At the outbreak of the World War, Great Britain, in concert with her Allies, adopted these lists by Order-in-Council, August 30, 1914. Later the lists were greatly increased, and by an Order-in-Council dated March 30,1916, it was provided that both absolute and conditional contraband should be presumed to have the hostile destination necessary to render it liable to capture, if consigned "to or for a person who during the present hostilities has forwarded imported contraband goods to territory belonging to or occupied by the enemy."

3. Continuous Voyage:

A belligerent State may not ordinarily intercept neutral commerce between two neutral ports. To this general rule, however, there is an important exception, known as the doctrine of continuous voyage. The doctrine, as defined by our Supreme Court, may be stated as follows:

If

If the goods, though shipped from a neutral port with an ostensible neutral destination, are actually destined to an enemy country, they may be seized.

The doctrine was applied by the United States during the Civil War to prevent supplies from reaching blockaded ports of the Confederacy by means of an elaborate and successful system of blockade running. Such supplies originating in England were carried on British ships to neutral ports in the West Indies where they were transshipped or taken by other vessels to their destination. In order to thwart the traffic, American vessels of war proceeded to capture and send in for condemnation neutral ships and cargoes ostensibly bound for neutral ports.

There has been considerable confusion as to whether the doctrine applies only to absolute contraband or is also applicable to conditional contraband. Article 30 of the Declaration of London stated that absolute contraband was liable to capture if it was shown to be destined to territory belonging to or occupied by the enemy or to armed forces of the enemy, and that it was "immaterial whether the carriage of the goods is direct or entails transshipment or a subsequent transport by land." Other provisions of the Declaration extended the doctrine to conditional contraband in cases where the enemy country has no seaboard.

During the World War, the doctrine was applied to the circuitous and indirect carriage of conditional as well as to absolute contraband.

4. <u>Non-Intercourse:</u>

4. Non-Intercourse:

A neutral country is under no duty to prevent its nationals from trading freely with belligerents, -- including trade in contraband goods and trade with blockaded ports. Such trade is subject, however, to the right of the belligerent to seize and confiscate contraband goods, and to seize and condemn vessels engaged in running a blockade, or in unneutral trade.

The neutral State is under a duty, however, to a belligerent not to lend money to, establish credits for, or sell or fit out warships for the opposing belligerent State. The neutral State is also under the duty to prevent the fitting out of warships, or the setting on foot within its territory of military or naval expeditions to be carried on from such territory, and to prevent the use of its territory as a base of military operations.

While a neutral State is under no duty to prevent trade between its nationals and the nationals or government of a belligerent State, it is not prohibited by international law from doing so, provided that any restrictions imposed by it are applied equally to all the belligerents. The right to impose restrictions on entry and departure of merchant ships, the importation and exportation of goods, etc. may be controlled by treaties. Some of our treaties provide that the "nationals of each of the Contracting Parties, equally with the citizens or subjects of the most favored nation shall have liberty freely to come with their ships and cargoes to all places, ports and rivers in the territories of the other which are or may be opened to foreign commerce subject always to the laws of the country to which they thus come."

Such

Such treaties also provide against discrimination as regards imports and exports.

It would, of course, be possible to denounce the treaty or treaties if there should happen to be such between the United States and a belligerent or belligerents, but this would require notice of from six to twelve months before it became effective. This situation could be obviated by a multilateral agreement containing a provision that, in the event of war, neutrals shall have the right to declare unilaterally non-intercourse with belligerents without such action constituting a violation of any existing treaty provision between such neutral or neutrals and a belligerent country. This suggestion, however, presents at least one difficulty, namely, that a country, having such treaties with other countries, that contemplates belligerent operations would probably decline to become a party to such a multilateral treaty.

Department of State

BUREAU / DIVISION: FE

ENCLOSURE

TO

Letter drafted

ADDRESSED TO

The Honorable
Louis McH. Howe.

U. S. GOVERNMENT PRINTING OFFICE: 1934 1—1033

THE WHITE HOUSE
WASHINGTON

Jefferson
1937

This is the carbon copy of the original memorandum handed to the Secretary of State.

THE WHITE HOUSE
WASHINGTON

Memorandum handed to the Secretary of State at 12:30 P. M., December 13, 1937.

Please tell the Japanese Ambassador when you see him at one o'clock:

1. That the President is deeply shocked and concerned by the news of indiscriminate bombing of American and other non-Chinese vessels on the Yangtse, and that he ~~suggests~~ requests that the Emperor be so advised.

2. That all the facts are being assembled and will shortly be presented to the Japanese Government.

3. That in the meantime it is hoped the Japanese Government will be considering definitely for presentation to this Government:

   a. Full expressions of regret and proffer of full compensation:

   b. Methods guaranteeing against a repetition of any similar attack in the future.

FDR

Japan folder

THE WHITE HOUSE
WASHINGTON

[1937?]

Confidential

C. H.

Can you find means to suggest to Hands that nothing be said hereafter by anyone connected with the Navy in regard to Japan or Jap. navy?

F.D.R.

I did this once - will try again in this last instance.

C.H.

Japan
1937

In re-Panay sinking and activities

of Japanese and Chinese --also see--

Navy folder-Drawer 1--1937
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